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Exploring Emiratisation through the lens of sustainable leadership in financial institutions in the UAE

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ABSTRACT

This study explores sustainable leadership in Abu Dhabi financial organisations to uncover challenges related to the Emiratisation of their workforce. Using grounded theory we investigate the relationships between Emirati employee turnover, psychological empowerment, and sustainable leadership. The data collected through interviews reveal that the observed high turnover of Emirati employees is due to inadequate engagement and empowerment: i) organisations have a reputation of being non-continuous learning platforms among Emiratis; ii) career growth and satisfaction are major reasons for the high Emirati turnover; iii) their inadequate engagement is a result of organisational and cultural gaps; and iv) leaders lack commitment to the Emiratisation agenda. This study recommends creating a sustainable approach to Emiratisation, reviewing pay and benefits for employees, evaluating leaders based on their ownership of the nationalisation agenda, and how they are fully integrating Emiratis into their organisations.

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Introduction

Despite the UAE government's ongoing efforts to develop human capital, Emiratis have struggled to integrate into multinational enterprises, achieve international quality standards and their own expectations, and continue a career in financial and banking organisations. However, as the Dubai Financial Services Authority oversees the UAE's financial and banking institutions, organisations have had to hire Emiratis. This policy seeks to increase the participation of Emiratis in the private sector, and therefore, the Government has made it mandatory for organisations to employ UAE citizens (Central Bank of the UAE, 2006; Sarker & Rahman, 2020). Despite these initiatives and measures, the private sector has struggled to reach the Emiratisation targets (Zeffane & Kemp, 2018).

This study explores sustainable leadership within UAE financial banking institutions to identify the challenges brought about by Emiratisation (A-Mehrzi & Singh, 2016; Daleure, 2017). It addresses this through the following three core objectives:

1. Investigate Emirati employee turnover to determine potential links with sustainable leadership;

2. Examine Emirati psychological empowerment to determine its link with sustainable leadership;

3. Examine actual Emirati engagement to determine potential links with sustainable leadership.

Previous studies have examined Emirati employee turnover, psychological empowerment, and engagement in general. In this study we focus on exploring sustainable leadership within financial banking organisations. Furthermore, with the UAE's wise leadership and efficient government, there is a growing awareness of the social, economic, and environmental impact of sustainability (Sarker & Rahman, 2020; Tabet, 2020). Twelve financial institutions signed the Dubai Declaration on Sustainable Finance in 2016, and 25 local entities signed the Abu Dhabi Sustainable Finance Declaration in 2019, with the UAE government publishing the first set of Guiding Principles on Sustainable Finance in 2020. The latter's purpose was to encourage organisations and the financial sector to establish risk management techniques to mitigate those associated with decreased global demand, high consumer expectations, and growing competition but it also included Emeritisation.

Employee turnover has a direct relationship with sustainable leadership. Leaders need to ensure that their employees are highly motivated and satisfied to reverse turnover rates while also fostering the company's continued success (Jabeen, Friesen, & Ghoudi, 2018). This, in turn, is reflected in employees working at the same company for longer periods (Harhara, Singh, & Hussain, 2015). Employee turnover is linked to low pay, absence of after-service benefits, negative leader and follower relationships, low productivity (Alqubati, Dixon, & Hossan, 2019). Influential leaders should therefore strive to satisfy employees in order to reduce turnover. Leaders must cultivate a culture of fairness and autonomy to encourage workers to stay in organisations for a longer period of time. In this paper, we examine the relationship between sustainable leadership and employee psychological empowerment in the UAE.

In the present study, Emirati employees who had joined through a graduate program or were direct hires with a minimum of one year of work experience at a banking organisation were asked to participate, given that they should be knowledgeable informants (Lincoln & Guba, 1985, p. 234). In total there were 18 participants (12 female and 6 male) from various business and functional divisions of the chosen banks. At the beginning of the interview process, participants were advised of the study's aim, research protocols, expected benefits, and confidentiality and privacy protection.

A grounded theory technique was utilised to analyse the data obtained and investigate this underexamined subject. Through this we confirmed the following: lack of adequate engagement and empowerment leads to high Emirati turnover, which leads to more challenges for Emiratisation. Hence, the high turnover rates are a result of inadequate engagement and empowerment. This, in turn, leads to Emiratis either leaving the organisation or reducing their interest in their roles as they have not been sufficiently empowered by their managers to support the drive toward organisational objectives. The next sections of this paper discuss the ramifications of this result for leadership in the UAE private sector.

Exploring sustainable leadership

The concept of sustainable leadership has gained more attention and importance, especially with the coronavirus 2019 pandemic and its underlying issues that hit multiple dimensions of both governments and societies (Rees, Mamman, & Braik, 2007). Avery and Bergsteiner (2011) defined sustainable leadership as a set of long-term decisions committed to a specific value goal. However, multiple definitions of sustainable leadership emphasise the concept's various aspects.

Casserly and Critchley (2010) argued that leaders must embed sustainable leadership within an organisation's operations and activities regardless of the nature of the firm. This suggests that there is a direct proportionate impact from the fact that 'sustainability' has diversity within its conceptual framework. Gomes et al. (2013) argued that a positive relationship between sustainable business practices and profitability can be developed via a team-based approach because it fosters a sense of community within the organisation, which helps develop relationships between employees while promoting a healthy working environment that enables the achievement of organisational goals (Crosby, 2016). However, while corporate interest in sustainability increases, there is little evidence on how to incorporate sustainable practices into the corporate structure.

Nevertheless, McCann and Sweet (2014) stated that sustainable leadership instils ethical and sustainable behaviour in employees. In particular, sustainability is a megatrend that requires a significant commitment on the leaders' behalf (Tideman, Arts, & Zandee, 2013), as it demands that businesses, economy, society, and environment work together equally and collaboratively to achieve their desired outcomes. Avery and Bergsteiner (2011) proposed that failure to implement a sustainable framework to do this could increase the cost of doing business by causing financial or economic disasters, which could result in irreversible brand damage. Additionally, transformational shifts in strategies and structures are required for long-term leadership integration.

According to Eccles, Ioannou, and Serafeim (2012), strong leadership commitment provides employees with incentive to commit to sustainable practices because leaders are empathic toward the organisation, stakeholders, and the community. Similarly, Avery and Bergsteiner (2011) argued that sustainable leadership binds all stakeholders together as their long-term goals are similar and revolve around a valuable end-goal of good impact. Even though leaders may face uncertainty due to external factors such as economic issues and corporate mergers, they still provide a framework for sustainable progress when such events occur. Following this line of thought Rahardjo et al. (2013) indicated that managers should cultivate the following conditions to integrate corporate sustainability management: solid commitment, long-term focus, a sustainable culture, stakeholder inclusion through shared visions, and a collaborative model for their relations with employees.

Modern business leaders must therefore successfully lead their organisations while also addressing sustainability. Organisational leadership has grown increasingly complex, and those unprepared may face more organisational failures (Zeffane & Kemp, 2018). Hence, the need to assess and define sustainable leadership is greater. Leaders today seek to use their definition of sustainability to adapt and continuously enhance overall performance (McCann & Holt, 2010). The topic of sustainable leadership has been explored worldwide; the present study offers a deeper analysis into the literature with respect to its relevance and applicability in the UAE.

Sustainable leadership in the UAE

Rainey (2013) discussed the significance of leadership in any organization— regardless of whether it is a nation, a firm, or a small social group—and argued that sustainable leadership extends beyond the organisational structure of a business with a direct impact on the respective country, community, and people simply because leaders seeking sustainability transmit their values and actions to positively impact a wider group. Leaders who place sustainable leadership values and practices at the core make rational choices and decisions with the significant impact of a domino effect. Similarly, Tabet (2020) suggested that, with the UAE's wise leadership and efficient government, there is a growing awareness of the social, economic, and environmental impact of sustainability in the UAE financial sector. Since the signing of the Paris Climate Agreement and the UN Sustainable Development Goals in 2015, the UAE has been a leader in the region as 12 financial institutions signed the Dubai Declaration on Sustainable Finance in October 2016 to support the UAE's Vision 2021, and in January 2019, 25 local entities signed the Abu Dhabi Sustainable Finance Declaration to support sustainable finance and investment. The UAE government published the first set of Guiding Principles on Sustainable Finance in 2020 with an intention to recognise the importance of environmental, social, and corporate governance factors and facilitate the country's transition to a sustainable economy (Tabet, 2020). Its purpose was to encourage organisations and the financial sector to establish risk management techniques and procedures that will reorient and diversify the economy. The UAE Central Bank and the UAE stock exchanges, Abu Dhabi Securities Exchange, Dubai Financial Market, and Nasdaq Dubai endorsed these standards (The National, 2022). As sustainability in the UAE is recent though, there is minimal literature exploring and defining the status of sustainable leadership in the UAE.

Sustainable leadership and employee turnover

Employee turnover has an adverse impact on the sustainability of the affected companies. Yang, Pu, and Guan (2019) showed that the safety of employees and clients is the major factor causing employee turnover. This is because employees are afraid of working at

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organisations where their safety is compromised. Similarly, Jabeen, Friesen, and Ghoudi (2018) argued that a high level of safety and supportive leadership leads to higher work quality, and hence lower turnover, and that turnover could be reduced by job satisfaction. Therefore, alongside fostering the company's continued success, leaders need to ensure that their employees are highly motivated and satisfied to overturn turnover rates.

Employee turnover is also influenced by organisational factors. Harhara, Singh, and Hussain (2015) examined the relationship between the individual, organisational, and group factors regarding the turnover of employees in the UAE oil industry. Their study's findings indicate that leadership that promotes group and organisation support toward employees, contributes to the development of employees' higher personal affective commitment toward their job. This is reflected in employees working for the same company for longer periods.

Job dissatisfaction also affects employees' productivity, thus contributing to their turnover. Alqubati, Dixon, and Hossan (2019) argued that employee turnover is linked to job dissatisfaction emanating from low pay, absence of after-service benefits, negative leader and follower relationships, and the lack of career development programs. Similarly, Singh and Sharma (2015) argued that employee development programs result in satisfaction, thus reducing the amount of turnover in selected UAE organisations. They reported that employees are willing to work hard toward the organisational goals when leaders demonstrate that they are interested in the success of their followers and employees. This practice is associated with leaders-exchange theory, which supports the view that employees are likely to adopt effective strategies for achieving the goals of an organisation when leaders sacrifice their welfare (Al-Afari & Elanain, 2014). Influential leaders should strive to satisfy their employee to reduce cases of employee turnover.

Finally, a link has been observed between leader-influenced environments and employee turnover. Suliman and Al-Obaidli (2011) argued that organisational justice is the most critical factor leading to employee turnover. This is because it encourages greater organisational engagement, increases worker satisfaction, and decreases turnover incidence. This observation is also supported by the social exchange theory (Blau, 1964), which posits that employees are more likely to continue participating in work exchanges if they perceive benefits. Contrarily, employees are more likely to avoid future exchanges if there is little compensation or unfair organisational treatment.

These findings are in line with Ababneh (2020) and Suleiman and Al Harethi (2013) on the correlation between employee turnover and workplace fairness, which identified that employees discriminated against at the workplace are more likely to leave and seek organisations that demonstrate high levels of justice. This validates that non-discriminatory practices improve employee trust, commitment, and job satisfaction. Therefore, leaders should always strive to be fair, treat each employee with respect, and exhibit high levels of justice to foster their prolonged stay in an organisation.

In addition, Ababneh and Hackett's (2019) study on the relationship between job characteristics and employees' turnover intentions argued that leaders who provide their employees with autonomy, treat them fairly, and ensure their welfare are more likely to report lower employee turnover rates. Similarly, Ababneh and Hackett (2019) and Al Jenaibi (2010) claimed that employees are more likely to remain committed to their jobs when their leaders motivate them through fair pay, respectful treatment, and opportunities for autonomous decision-making. Leaders must cultivate a culture of fairness and autonomy to encourage workers to stay in organisations for a longer period of time.

Sustainable leadership and employee psychological empowerment

Iqbal, Ahmad, Nasim, and Khan (2020) argued that leaders who promote a psychological well-being environment characterised by employee support and encouragement are more likely to draw out best performance, and encouraged leaders to engage in activities that would promote employees' psychological empowerment. This suggests that leaders should focus on the psychological empowerment of employees by addressing their demands and preparing them for potential challenges at work. Even though these challenges vary from sector to sector, when employees feel trusted, and the organisation formulates policies that protect their rights and ensure their employability, turnover decreases.

Leaders should master psychological empowerment strategies to encourage their employees to go the extra mile and catalyse productivity and change. According to Corcoran et al. (2014), honeybee leadership focuses on sustainable growth and attempts to give results responsibly to the greatest number of stakeholders. The Honeybee leadership concept says that a firm can only be sustainable if its operational context is sustainable, and that the basic requirements of all concerned parties are met. A sustainable enterprise considers all of its members and future generations' interests; companies that follow

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the honeybee concept care for and develop their employees, attempt to preserve the environment, care for the communities in which they work, and defend their image and brand via ethical behaviour. Furthermore, creating a psychologically safe workplace that encourages information sharing and open discussions will boost long-term performance in the presence of sustainable leadership. Accordingly, adopting procedures that encourage psychological empowerment among employees is critical (Rettab & Mellahi, 2019).

Nevertheless, the ultimate goal of most organisations is to maximise their profitability, growth, and productivity. Realistically though, this can only be accomplished with a competent workforce in an environment that stimulates well-being, high production, and increases revenue. Tripathi et al. (2019) indicate that because of this it is essential for leadership to focus on addressing employee needs. In fact, employees who have sustained psychological resilience overall worked harder and met high performance expectations. Furthermore, Rahi (2021) indicated that leaders who focus on employees' psychological well-being, fair compensation, and HR training, will achieve positive outcomes in terms of employee performance.

Similarly, a correlation has been observed between the leadership style and employees' psychological sustainability. For instance, Begum et al. (2020) reported that psychological well-being leads to employee creativity, innovative capacity in small- and medium-sized enterprises, and organisational learning. However, these findings are not consistent with those of Dedahanov, Bozorov, and Sung (2019), who could not find a link between psychological well-being and employees' innovative behaviour. Nevertheless, they are consistent with those of Ambad et al. (2021), who argued that psychological empowerment is positively associated with effective leadership styles.

These results are also consistent with those of Safrizal et al. (2020), who established that participatory leadership allows employees to discuss their issues, seek solutions, and improve their mental well-being. Consequently, overall, they report high productivity. Almulhim (2020) argues that employees exposed to information-sharing platforms are able to make choices while reducing cases of anxiety that come due to uncertainties. Therefore, leaders need to focus on the employees' psychological empowerment to enable them to achieve their own goals, while ensuring appropriate employee engagement.

Sustainable leadership and employee engagement

Leaders strive to attain organisational visions and employee engagement is among the most effective ways to do so. Al-Mehrzi and Singh (2016) argued that influential leaders foster collaboration and rapport between management and employees. This is achieved through employee engagement denoted in direct communication, trust, and team building which, in turn, leads to a sustainable superior performance. Similarly, Li et al. (2019) argued that the transformational leadership style results in trust, a high level of employee engagement, and a positive influence on the organisation's performance. In addition, Sarwar et al. (2020) reported that sustainable leadership is characterised by high levels of ethics that foster employees' engagement in organisational matters. This form of leadership cultivates collaboration between employees and their managers as employees feel respected when their requests are addressed (Mehrad, Fernando-Castro, & De-Olmedo, 2020). Consequently, they develop an affective commitment to the organisation, which is enhanced via inclusion at all levels of the decision-making process.

Finally, a leader must continuously and iteratively construct the dynamics of ethical, sustainable leadership to drive these relationships forward. This more or less revolves around the concept of leaders whose focal goal is to serve for a greater good, impacting the people, organisation, and their respective communities. Leadership styles also significantly influence employees' engagement in an organisation. Bannay, Hadi, and Amanah (2020) indicate that innovative leadership is associated with the transformational management style, which, in effect, results in employee motivation and achievement of sustainable leading goals. Thus, inclusive leadership is characterised by motivations, openness, and accessibility to resources which improves employees' engagement and boosts organisational success.

Materials and Methods

To date, no study has explained sustainable leadership and Emiratisation within banking institutions in the UAE. The importance of Emiratisation can be seen especially when we discuss the social and behavioural problems in the labor market in the UAE (i.e., when we look at turnover, psychological empowerment, and the engagement of Emirati employees within their organisations). In filling this gap, the present study is based on the phenomenological interpretivism philosophy which emphasises the significance of qualitative evidence in knowledge accumulation and how participants make sense of the phenomenon under study. Moreover, different viewpoints exist due to multiple factors such as management, gender, work experience, career motivation, and personal preference.

Sampling

Data were gathered via interviews. For the convenience of the participants, most interviews were conducted on-line through Zoom; the remaining interviews were face-to-face. To contact potential interviewees the first method used was purposive sampling, wherein individuals are selected because of their common knowledge of or experience with the research area (Sandelowski, 1995).In this study, Emirati employees who joined through the graduate program or as direct hires with a minimum of one year of work experience at the chosen financial institution were selected as participants as they should be knowledgeable informants (Lincoln and Guba, 1985, 234). Their experiences provided a foundation to compare and understand the complexity of our topic: i) Emirati employee turnover; ii) Emirati employee psychological empowerment; and iii) Emirati employee engagement. Specifically, there were 18 interviewees; 12 were female, and 6 were male, and they spanned different business and functional departments. Most were direct hires, but three of them joined the organisation through the graduate program. The second method was snowball sampling which is a referral approach based on the principle of like-minded attraction. Accordingly, the first interviewee who matched the research criteria referred the researcher to the next one and that one to the next and so on.

Data Analysis

Grounded theory was used to ensure rigor and trustworthiness in the analysis (Harley & Cornelissen, 2020). As grounded theory is venturing into the unknown, every one set of facts may yield several tentative mini-theories. The research process thus entails utilizing evidence to repeatedly induce and then test ideas and concepts to construct theory by 'inference to the best explanation'. Figure 1 (adapted from Boes, 2014, 39) shows the coding process of grounded theory in which the researcher obtains textual transcripts from in-depth interviews and divides them into distinct parts. The researcher creates codes as the analytical tools that organise and sort data. These provide the foundation blocks for the final product.

Figure 1 about here

Open Coding

To facilitate the researcher's comprehension of the data, Strauss and Corbin (1997) recommend utilizing first or sensitizing questions to create codes for analysis: '(W)hat are the actors' definitions and meanings of these events or situations?' (p77). Data are first divided into individual occurrences, concepts, events, and actions during the open coding stage. In this phase, the transcripts of the recorded interviews were exported to MAXQDA software for open coding and to save time arranging the data and conclusions (Figure 1). In addition, this stage provided for the initial concept development as steps were taken to identify the units of information that connected together and related to Emiratisation, employee turnover, engagement, and the psychological empowerment literature. The codes illustrate information on sources and constraints of the challenges of Emiratisation in a banking organisation, which took the form of a word, phrase, or short paragraph see Figure 2 for an example of a coded interview response and Figure 3 for an excerpt of the analytical process.

Following the identification of the conceptual units, they were arranged into a pattern of ideas and structured according to their attributes. This resulted in three categories: i) lack of empowerment; ii) lack of proper engagement; and iii) Emirati turnover reasons. Understanding the literature, the essence of the concepts, and the researchers' knowledge led to the development of the categories For example, the concepts 'no development plans' and 'role mismatch' were grouped under the category 'high Emirati turnover reasons' as they both demonstrated aspects of the rationale for Emiratis' decision to leave an organisation.

Figure 2. about here

Axial Coding

The next step is axial coding, in which the researcher compares codes with codes, codes with categories, categories with data, and interviews with other interviews to identify similarities and differences between codes and categories (Lester et al., 2020). In simple words, it is the process of interconnecting the categories.

To develop a pattern and define a link, each category and its associated concepts were reorganised and rebuilt. For example, the category 'high Emirati turnover reasons' contained concepts like 'role mismatch,' 'lack of career growth,' and 'perception and stereotyping.' As a result, the content (codes) of these concepts is seen as a means of connecting the concepts and developing the propositions. These propositions were created to describe the origins and limitations of exploring sustainable leadership as a solution to the challenges of Emiratisation. For example, under the category High Emirati turnover reasons, the following propositions are evident: i) 'The organisation established a reputation of being a non-continuous learning platform for Emiratis,' and ii) 'Career growth and satisfaction are among the main reasons for high Emirati turnover.' Under the category lack of proper engagement, the established proposition is: 'There is inadequate engagement due to the organisational and local cultural gap.' Finally, the proposition under lack of empowerment is: 'Leaders show inadequate commitment to the Emiratisation agenda.'

Figure 3. about here

Selective Coding

The last step in developing a theory is known as selective coding (Strauss & Corbin, 1997) (Figure 1). Based on the above discussions, the resulting theory is as follows: lack of adequate engagement and empowerment leads to high Emirati turnover, which leads to more Emiratisation challenges. Hence, we can say that the high turnover rates are due to lack of adequate engagement and empowerment. This leads to Emiratis either leaving the organisation or reducing their interest in their roles as they have not been empowered enough by their managers to support the objectives of the organisation.

Results

Organisational reputation of being an unsustainable learning platform for Emiratis

Aligning employee objectives and performance with those of the organisation is the aim of learning and development. Based on the results of the current study, the majority of the interviewees were positive about joining the organisation as this added value to their knowledge and experience:

'There are many opportunities, especially in the banking [sector] and at the [organisation name]. They [Emiratisation team] focus more on Emiratis. You can take many courses—like those at Emirates Institute for Banking and Financial Studies [EIBFS offers world-class education and training programs, and services in relation to banking and finance]—to understand more concepts and become certified' [...]

'Every day is a new lesson when working at the [organisation name]. Our managers always challenge us to stretch our capabilities and widen our knowledge base'.

To remain competitive and financially viable in this uncertain changing market, organisations must emphasise human capital. Thus, in the present corporate climate, employee learning and continuous growth is an increasingly vital and strategic necessity (Hameed & Waheed, 2011).

Biro (2018) argued that learning and career growth are increasingly seen as vital if employees want to maintain market viability. For instance, a recent survey by Forbes indicates that 93% of employees are more likely to remain with an organisation that invests in their career development via learning and career growth. Individuals will seek employment elsewhere if they believe that they have little possibility for growth and development in the organisation. Similarly, when an interviewee was asked if she would be working in the same organisation next year, she replied:

'I would have liked it if [I gained more experience and knowledge] I have been doing the same job over the past couple of years and I do not see any value added to my knowledge and experience. I think I need a change, and fairly speaking, I am applying for better roles outside the organisation I lack interest in this role, [lack of training and growth is part of it] and I no longer think I am doing the right thing, and hence, I do not think I will be in this team by next year'

Furthermore, an organisation's reputation is its most valuable intangible resource as it reduces stakeholders' uncertainty about the organisation's future performance, strengthens competitive advantage, and contributes to the target audience's trust and value creation, thus maximizing the ability to offer high-value products and services (Gok and Ozkaya, 2011; Vidaver-Cohen, 2007). An interviewee said:

'If I had to explain why I joined the organisation, it would be the brand image, the strong reputation it has in the UAE and its community [as this was the first private bank in the UAE, the older community has a better understanding, trust and knowledge about the organisation.] with [organisation name] and the international exposure it has.'

Accordingly, leaders must ensure adequate relevance to the local community and to better understand the Emirati employees' needs to reduce turnover rates, while catering to the organisation's success in its social responsibility toward the country and a source of comparative advantage.

High Emirati turnover and career growth and satisfaction

Jabeen, Friesen, and Ghoudi (2018) studied the effect of work quality and leadership practices on Emirati employees' turnover and job satisfaction. They reported that high safety and supportive leadership levels lead to

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higher job satisfaction and hence lower turnover. Emirati employees showed levels of dissatisfaction for various reasons, including job stress, role mismatch, slow career progression, and better opportunities. Many Emiratis find it challenging to achieve their ambitions within the organisation, causing them to leave:

'I think being at the same position for a couple of years is neither progressive nor useful for the organisation or the individual'.

Another interviewee stated:

'I want to give an example of a colleague, [who] he requested a career band [promotion]. [However], he was not given this opportunity even though he asked for it [...]. So, he moved out because [the competition] provided him [with] better pay and a better position and title. I have [also] another example: a colleague of mine was of career five-band, and he requested them [the company] for a promotion consistently for a couple of years. They asked him to stay with the bank for two years to meet the promotion metrics. He stayed and worked hard but he was not offered a promotion in the end. So, I think this is true for the majority of cases; they ask for a higher band or promotion for growth and development, which are not provided'.

It was noted that management and leadership do not fully understand the needs of the new generation, especially the need to boost employee performance by motivating them:

'Times have changed. It is not the same thinking; it is not the same attractiveness. It is not the same generation of ordinary [the older generation]'. [...] 'I wonder why they expect us [Emirati employees] to remain at the same position for six to eight years and then apply for the next promotion or growth opportunity. I do not think that is healthy for individual, personal, and professional development'. [...] 'I have been doing the same job since I joined seven years ago, and I am waiting for a change. I have responsibilities and a family to look after. I am so worried about this, so I started applying for different banks in the market'.

This is supported by Alqubati, Dixon, and Hossan (2019) who stated that employee turnover is linked to job dissatisfaction stemming from low pay, absence of after-service benefits, and the lack of career development, but employee development programs result in satisfaction, thus reducing the turnover rates of employees in the organisation.

For instance, two Emirati employees affirmed that:

'If my manager was understanding, I would stay and work with him no matter what'. [...] 'I think the best part of my job is that I am aligned with my manager. We have built a strong rapport that mutually benefits our growth and accomplishments. I trust that I am in good hands'.

The first interviewee stated that good management is fundamental for their career and intends to leave the organisation due to continuous tension and misunderstanding, whereas the other highlights a good example of leaders who built a strong bond among the team which ensured clarity and understanding. This will eventually impact their job satisfaction and growth, and simultaneously decrease the turnover rates within the organisation.

Inadequate engagement due to organisational and local cultural gaps

According to Wong (2020), employees develop a sense of belonging in a diverse and inclusive environment. When employees feel more engaged at work, they are more likely to work harder and smarter, resulting in better work quality. Consequently, leaders who implement diversity and inclusion (D&I) practices realise enormous improvements in terms of business outcomes, creativity, and decision-making. However, despite the driving agenda for D&I in the organisation, there is still an apparent cultural gap within the local and organisational culture:

'Our department organises a lot of leader exchanges with senior executives. It is very inspiring, but these stories and career journeys are not relatable. [when asked why...] We come from different backgrounds, cultures, languages, countries, and markets. Whenever we raise a question about growth and ambitions, it is never relatable. I think they do not understand where we are coming from as a nation and what we really need as employees at this organisation'.

Cultural barriers are a concern at all organisational levels. Misunderstandings may arise and cause tension among teams and lead to failure to comprehend customer and employee needs. Taras et al. (2021) argued there is a shortage of senior managers capable of leading multicultural teams. As such, leaders should possess a cultural understanding that will facilitate proper engagement.

Leaders' inadequate commitment to the Emiratisation agenda

In the present business environment, a shift toward an organisational commitment-based efficiency model is necessary. Leadership and people management is positioned among the primary roles of an organisation

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where working conditions, worker welfare, and job satisfaction are valued, hence contributing to the high levels of organisational commitment (Kurtessis et al., 2017). Nevertheless, it may be influenced by numerous factors, including psychological empowerment.

The effects of sustainable leadership on employees' psychological empowerment and productivity are significant. Leaders who promote well-being through employee support and motivation are more likely to achieve better organisational performance (Iqbal, Ahmad, and Abdul-Halim, 2020). Similarly, the current study indicates that employees who were empowered demonstrated better productivity and performance:

'I know that I am an added value rather than just a headcount'. '[...] the team spirit is unified towards achieving the best results by [the] year-end. Our manager always keeps us challenged and motivated. We never feel distracted or demotivated at any point'. [...] 'We are empowered, trusted, and given opportunities to take any chance. We can see this in the environment that would adopt and contain our talent and energy'.

Nevertheless, some interviewees found that empowerment is inadequate as a number of managers showed lack of trust and support to Emirati subordinates (Toledo, 2013). For example, they would not grant access to software and devices to enable a faster and more effective way of delivering results. An interviewee said:

'They [the management] always feel we might make a mistake, [which is] embarrassing'.

While another two added:

'I still remember the first day I came because I used to work as a graduate trainee. I used to work in [name of the department]. They were busy working, and I told my manager that if he would just let me sit there and do nothing, I would not come to work, and he responded positively, saying, "If you do not work, we will give you work". He began giving me everything, and I was fully committed. That made me love the role and the environment I am in'. [...]

'When I joined [organisation name], I remember raising a request to obtain an RSA token [device required to enable working from home]. My line manager first ignored the pending request and rejected it without any explanation. It was something about needing to be flexible about where I work'.

Thus leaders must build trust by being aware of their employees' issues, goals, displaying deep experience, and confidence in decision making; while consistently demonstrating honesty and integrity (Patrícia et al., 2021). Many Emirati employees, for instance, face challenges in obtaining a leadership role or handling a critical strategic project due to their manager's lack of trust, communication, and enablement. This is also supported by Tripathi et al. (2019), who indicated that leadership is essential in addressing the needs of employees. Ahmad and Halim (2020) similarly indicated that leaders must focus on employees' empowerment and commit to addressing their demands at work to promote desirable performance. The

interviewees highlighted the importance of commitment:

'This is a conversation that the bank needs to have if they want to attract competent Emiratis into this work field; they need to show some change in how they tackle and view Emiratisation'. [...] 'To enhance Emiratisation internally, we first need to see more commitment from leaders along with proper trust and support. Second, we need our managers to provide us with opportunities through which we can showcase our capabilities, which will allow us to easily prove that we deserve bigger roles and responsibilities'.

Conclusions

This study aimed to fill a gap in the literature on sustainable leadership in the UAE by exploring Emiratisation within the private banking sector. It had the following three core objectives: i) to investigate Emirati employee turnover; ii) to examine Emirati psychological empowerment; and iii) to assess Emirati engagement in the banking sector. This is because, despite multiple attempts to attract them, Emiratis continue to avoid private banking organisations for reasons such as long working hours and poor pay. However we found that, even so, they consider these opportunities solid learning experiences that will open doors in the future because the banking organisation will continue to recruit Emiratis to fulfil the requirements of the labor law (but following the letter of the law rather than its spirit).

Our findings are as follows: i) organisations establish a reputation of being a non-continuous learning platform for Emiratis; ii) lack of career growth and satisfaction are among the main reasons for high Emirati turnover; and iii) there is inadequate engagement due to organisational and local cultural gap, and leaders show inadequate commitment to the Emiratisation agenda. Leaders must understand how to limit these Emiratisation challenges to promote sustainable leadership practices. This can be done by implementing the following recommendations: i) creating a sustainable approach to Emiratisation; which will only be possible with an end-to-end involvement of senior management and leadership; ii) conduct pay and

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benefits reviews for existing employees to ensure competitive benefits are provided; iii) assess leaders based on their ownership of the nationalisation agenda, which can be embedded within their scorecards as one of the criteria of the year-end performance reviews; and iv) fully incorporate Emiratis within the organisation's operations and projects. As organisations within the private sector are obliged to comply with the government's regulatory policy, Emiratis will inevitably be employed. However, only if they are led sustainably, can this situation become a wealth of resource for all stakeholders.

Limitations and further research

The study explored the concept of sustainable leadership in relation to Emiratisation within a financial banking organisation and identifies challenges to it. However, it is limited in scope as it only focuses on employee perceptions and sustainable leadership within the financial institutions of the private sector. Future studies could expand on this by investigating the role of sustainable finance in addressing Emiratisation challenges across all sectors.

Moreover, the current study is limited in its perspective as it focuses only on the views of Emirati employees. It would be beneficial for future research to also consider the views of managers or decision makers to provide a more comprehensive understanding of Emiratisation and sustainable leadership within the organisation. Additionally, future research should explore how lack of engagement and empowerment among Emiratis results in them leaving the organisation or reducing their interest in their roles. Thus, despite the implementation of initiatives and programs to facilitate Emiratisation in the private sector, resistance from both Emirati employees and organisations still persists. Therefore, the following recommendations are proposed in the UAE context:

Developing a sustainable approach to Emiratisation that involves senior management to ensure long-term benefits for both employee and employer. This will address the career growth gap and retain young talents for future leadership positions;

Conducting pay and benefits reviews for existing employees to upgrade those entitled to promotion and benchmark rewards and benefits against competitors;

Evaluating leaders based on their ownership of the nationalisation agenda, providing them with training in motivating, empowering and engaging young talents, and building strong performing teams; and

Fully integrating Emiratis into the organisation's culture by providing them with global learning and development opportunities such as short-term overseas assignments to exchange knowledge and expertise. This will make them feel more valued and rewarded rather than perceived as 'headcounts' to meet quotas.

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Data Availability Statement

This study explores sustainable leadership within UAE financial banking institutions to identify the challenges brought about by Emiratisation. In the present study, Emirati employees who had joined through a graduate program or were direct hires with a minimum of one year of work experience at a banking organisation were asked to participate, given that they should be knowledgeable informants. Data were gathered via interviews approved by the organizations involved. For the convenience of the participants, most interviews were conducted on-line through Zoom; the remaining interviews were face-to-face. These data were then coded and analyzed but remain personal and are not available to the general public for privacy reasons. We are happy however to discuss in general terms our data on reasonable request.

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