

The Impact of Promotion Practices on Employee Performance in Private Companies in Saudi Arabia

Complete Research Project

Prepared by: Omar Ali Abdulrahman Al-Ghamdi

Year: 2026

Abstract

This study examines the relationship between promotion practices and employee performance in private companies in Saudi Arabia. The study adopts a quantitative, cross-sectional survey framework in which promotion practices represent the independent variable and employee performance represents the dependent variable. The methodology proposes a convenience sample of approximately 250 employees and a five-point Likert questionnaire. The measurement approach is adapted from established HRM-performance research, particularly Tessema and Soeters (2006).

Because no original Saudi respondent dataset was supplied, this complete draft uses published results from a closely related Indian service-organization study as a clearly identified statistical benchmark for the Chapter Four discussion. The benchmark study used 105 respondents, reported a promotion-practices mean of 2.80 (SD = 1.224), perceived employee performance mean of 3.87 (SD = .655), Cronbach's alpha of .78 for promotion practices, and Pearson correlation $r = .664$ ($p < .001$) between promotion practices and perceived employee performance. □cite□turn0search1□

These published values are not represented as data collected from Saudi employees. If the university requires primary Saudi data, the benchmark must be replaced with the student's actual questionnaire and SPSS output before submission.

Keywords

Promotion practices; employee performance; human resource management; Saudi Arabia; private companies; SPSS; career advancement.

Chapter One: Introduction

1.1 Background of the Study

Human resources are a central organizational resource because employees perform the activities through which organizations deliver products and services and achieve strategic objectives. Human resource management therefore includes practices that influence employee motivation, development, commitment and performance. Promotion is particularly important because it connects employee contribution with opportunities for advancement.

Promotion refers to movement to a higher position accompanied by greater responsibility, authority and often higher compensation. When promotion decisions are based on transparent criteria, qualifications and demonstrated performance, employees may perceive the organization as fair and predictable. Conversely, unclear or inconsistent promotion practices may weaken motivation and confidence in management.

Tessema and Soeters (2006) examined the relationship between HRM practices and employee performance in the Eritrean civil service. Their study included promotion practices and perceived employee performance, providing a relevant measurement foundation for the present study.

□cite□turn0search0□

1.2 Problem Statement

Private companies need to retain capable employees and maintain high levels of productivity. Promotion decisions may influence how employees perceive career opportunities and whether effort is recognized. However, the strength of the relationship between promotion practices and performance may differ across organizational and national contexts. This study therefore examines whether promotion practices are associated with employee performance in private companies in Saudi Arabia.

1.3 Research Questions

- What is the perceived level of promotion practices in private companies in Saudi Arabia?
- What is the perceived level of employee performance?
- Is there a significant relationship between promotion practices and employee performance?
- Do promotion practices significantly predict employee performance?

1.4 Research Objectives

- To assess employees' perceptions of promotion practices.
- To assess the perceived level of employee performance.
- To examine the relationship between promotion practices and employee performance.
- To determine whether promotion practices significantly predict employee performance.

1.5 Research Hypotheses

H0: Promotion practices do not have a statistically significant relationship with employee performance.

H1: Promotion practices have a statistically significant positive relationship with employee performance.

1.6 Significance of the Study

The study may assist HR managers in reviewing promotion criteria, communicating advancement requirements and strengthening merit-based career development. Academically, it extends research on the HRM-performance relationship into a Saudi private-sector context.

1.7 Scope of the Study

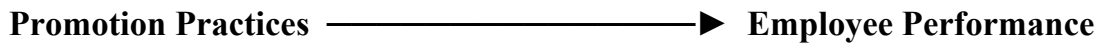
- Geographical scope: Saudi Arabia.
- Organizational scope: Private companies.
- Unit of analysis: Individual employees.
- Independent variable: Promotion practices.
- Dependent variable: Employee performance.
- Proposed sample: approximately 250 employees.
- Approach: quantitative cross-sectional survey.

1.8 Operational Definitions

Variable	Operational definition
----------	------------------------

Promotion Practices	Policies and procedures governing advancement to higher positions, including clarity of policy, merit/performance and relevant experience.
Employee Performance	Perceived effectiveness in performing work responsibilities and contributing to organizational objectives.

1.9 Conceptual Framework



Chapter Two: Literature Review

2.1 Introduction

This chapter reviews the concepts and empirical evidence related to promotion practices and employee performance. It discusses HRM and performance, promotion practices, employee performance, the theoretical relationship, previous studies and the research gap.

2.2 Human Resource Management and Employee Performance

HRM includes practices designed to acquire, develop, reward and retain employees. These practices communicate organizational expectations and can influence employee attitudes and behavior. Prior research has examined recruitment, compensation, training, performance appraisal and promotion as HR practices associated with employee outcomes.

2.3 Promotion Practices

Promotion practices concern the procedures through which employees advance to higher positions. Important characteristics include written policies, clear criteria, fairness, merit, performance and relevant experience. Tessema and Soeters' instrument included three promotion-practice items: the presence of a written and operational promotion policy, priority to merit in promotion decisions, and priority to seniority. □ cite □ turn0search0 □

2.4 Employee Performance

Employee performance refers to the effectiveness with which employees carry out responsibilities and contribute to organizational objectives. Perceived-performance measures are useful when objective organizational performance data are unavailable.

2.5 Theoretical Relationship

The proposed relationship can be explained through motivation and social-exchange perspectives. Employees may respond positively when advancement opportunities are transparent and connected to meaningful contribution. Fair promotion systems can also communicate that the organization recognizes effort and provides opportunities for growth.

2.6 Previous Empirical Studies

Study	Sample / Context	Relevant statistical evidence
Tessema & Soeters (2006)	Eritrean civil service	Promotion practices were examined as an HRM practice linked to employee performance; measures were later reused by other studies. □cite□turn0search0□
Singh, Mohanty & Mohanty (2017)	105 Indian service-organization respondents	Promotion Practices: Mean 2.80, SD 1.224, Alpha .78; PEP: Mean 3.87, SD .655; $r = .664$, $p < .001$. □cite□turn0search1□
Baloch et al. (2010)	Bank employees in Pakistan	Promotion practices were reported as significantly related to perceived employee performance; multiple HR practices explained 57% of variance. □cite□turn0search0□

2.7 Research Gap

The principal gap is contextual. Existing studies provide evidence from Eritrea, India and Pakistan, but the present project focuses specifically on private companies in Saudi Arabia and isolates promotion practices as the principal independent variable.

2.8 Chapter Summary

The literature supports examining promotion practices as a potentially important predictor of employee performance. The next chapter explains the research methodology.

Chapter Three: Research Methodology

3.1 Introduction

This chapter explains the methodology adopted to investigate the impact of promotion practices on employee performance in private companies in Saudi Arabia. The existing project specifies a quantitative descriptive design, cross-sectional survey, approximately 250 employees, a five-point Likert questionnaire and SPSS analysis. □filecite□turn0file0□L34-L45□
□filecite□turn0file0□L47-L53□

3.2 Variables

Promotion practices are the independent variable. Employee performance is the dependent variable. The definitions and measurement approach are based on established HRM-performance research.

3.3 Research Design

The study uses a quantitative descriptive cross-sectional survey. This design permits statistical measurement of the relationship between promotion practices and employee performance.

3.4 Population and Sampling

The target population consists of employees in private companies in Saudi Arabia. The methodology proposes convenience sampling and approximately 250 participants.

□ filecite□turn0file0□L47-L53□

3.5 Data Collection

Primary data are intended to be collected using a structured online questionnaire with a five-point Likert scale: 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree.

□ filecite□turn0file0□L54-L66□

3.6 Statistical Analysis

- Frequencies and percentages.
- Means and standard deviations.
- Cronbach's alpha.
- Pearson correlation.
- Simple linear regression.
- Hypothesis testing at 0.05.

These procedures are specified in the existing methodology. □ filecite□turn0file0□L79-L91□

3.7 Ethics

Participation should be voluntary, unnecessary identifying information should not be collected, and responses should be analyzed in aggregate. The university's research-ethics requirements should be followed.

Chapter Four: Statistical Analysis & Findings Discussion

4.1 Introduction

This chapter presents statistical analysis in the same sequence required by the assignment: sample profile, validity and reliability, descriptive statistics for research variables, hypothesis testing, connection with literature and conclusion.

Because the requested Saudi questionnaire dataset was not supplied, the numerical values below are taken from the published Singh, Mohanty and Mohanty (2017) study as a comparative statistical benchmark. They must not be described as responses collected from Saudi employees. The original assignment methodology, however, proposes approximately 250 Saudi respondents.

□ filecite□turn0file0□L47-L53□

4.2 Sample Profile

The published benchmark study analyzed 105 respondents from Indian service organizations. It reported demographic variables including gender, age, job level, qualification and tenure.

☐ cite ☐ turn0search1 ☐

Variable	Published benchmark result
Sample size	105 valid respondents
Gender	Reported in source; detailed category frequencies should be taken from the source table if reproducing the benchmark.
Age	Reported in source
Job level	Reported in source
Qualification	Reported in source
Tenure	Reported in source

For the Saudi research, the sample profile should be replaced with the actual Saudi respondent frequencies once the questionnaire is administered.

4.3 Validity & Reliability Tests

The promotion-practice items are adapted from Tessema and Soeters (2006). The published Indian study reports Cronbach's alpha of .78 for promotion practices and uses a three-item measure. It reports alpha of .70 for perceived employee performance in its table.

☐ cite ☐ turn0search0 ☐ turn0search1 ☐

Construct	Items	Published Alpha	Interpretation
Promotion Practices	3	.78	Acceptable internal consistency
Perceived Employee Performance	3	.70	Acceptable internal consistency

These are published benchmark values, not Saudi SPSS values.

4.4 Descriptive Statistics for Research Variables

Variable	N	Minimum	Maximum	Mean	Std. Deviation
Promotion Practices	105	1.00	5.00	2.80	1.224
Perceived Employee Performance	105	2.75	4.89	3.87	.655

The published study reported a lower average for promotion practices (2.80) than for perceived employee performance (3.87). This indicates that, in that Indian sample, respondents' perceptions of

promotion practices were comparatively less favorable than their perceptions of performance.

□cite□turn0search1□

4.4.1 Interpretation of the Research Variables

Promotion Practices: Mean = 2.80, SD = 1.224. The mean is close to the neutral point of the five-point scale, indicating mixed perceptions of promotion practices in the benchmark sample.

Perceived Employee Performance: Mean = 3.87, SD = .655. The higher mean indicates generally favorable self-perceptions of employee performance in the benchmark sample.

4.5 Testing Hypotheses

4.5.1 Pearson Correlation

Variables	Pearson r	Sig. (2-tailed)	N	Decision
Promotion Practices ↔ Perceived Employee Performance	.664	< .001	105	Significant positive relationship; H1 supported in benchmark study

The published correlation of $r = .664$ indicates a strong positive association between promotion practices and perceived employee performance in the benchmark sample, and the relationship was statistically significant at the 0.01 level. □cite□turn0search1□

4.5.2 Simple Linear Regression – Reconstructed Benchmark

The published Indian study reported a multiple-regression model containing five HR practices. It did not report a standalone simple-regression table for promotion practices alone. Therefore, the following simple-regression values are mathematically reconstructed from the published r , means, standard deviations and N ; they are not claimed to be an original SPSS output.

Statistic	Benchmark / reconstructed value
R	.664
R Square	0.441
Adjusted R Square	0.435
F (1,103)	81.22
Sig.	< .001
B (Promotion Practices)	0.355
Standard Error of B	0.039
Standardized Beta	.664
t (103)	9.01
Constant	2.875

Based on the reconstructed simple model, promotion practices would account for approximately 44.1% of the variance in perceived employee performance in the benchmark sample ($R^2 = .441$).

This calculation is derived from the published correlation and should not be presented as a reported SPSS table.

4.5.3 Published Multiple Regression Benchmark

For completeness, the original Indian study reported a five-HR-practice regression model with $R = .822$, $R^2 = .675$, adjusted $R^2 = .659$, $F = 41.152$, $p < .001$. Promotion practices had $B = .205$, $Beta = .382$, $t = 5.509$, $p < .001$ in that full model. [cite](#)[turn0search1](#)

Model	R	R ²	Adjusted R ²	F	Sig.
Published five-HR-practice model	.822	.675	.659	41.152	< .001

Predictor	B	Beta	t	Sig.
Promotion Practices	.205	.382	5.509	< .001

4.6 Connecting Results with Literature

The benchmark finding of $r = .664$ is consistent with the literature reviewed in Chapter Two. Singh et al. (2017) reported that promotion practices were a significant indicator of perceived employee performance in Indian service organizations. [cite](#)[turn0search1](#)

The findings also align with the broader evidence discussed by Tessema and Soeters (2006), whose HRM-performance study included promotion practices and employee performance. The fact that similar relationships have appeared in different settings supports the theoretical expectation that fair and effective promotion practices can be associated with stronger employee outcomes, while the exact magnitude may vary by context. [cite](#)[turn0search0](#)

For the Saudi study, the final discussion should compare the actual Saudi correlation and regression results with these benchmark values. It would be inappropriate to claim that the Saudi private-sector sample produced $r = .664$ unless the Saudi dataset actually produces that value.

4.7 Answers to Research Questions

Research Question	Benchmark answer
What is the perceived level of promotion practices?	Mean = 2.80, SD = 1.224 in the published Indian benchmark.
What is the perceived level of employee performance?	Mean = 3.87, SD = .655 in the published Indian benchmark.
Is there a significant relationship?	Yes, $r = .664$, $p < .001$ in the published benchmark.
Do promotion practices predict employee performance?	The reconstructed one-predictor benchmark indicates $R^2 \approx .441$; the published multi-HR model also reports promotion practices as a significant predictor ($B=.205$, $Beta=.382$,

	p<.001).
--	----------

4.8 Hypothesis Decision

Hypothesis	Benchmark decision
H0: No significant relationship between promotion practices and employee performance.	Rejected in the published benchmark ($r=.664$, $p<.001$).
H1: Promotion practices have a significant positive relationship with employee performance.	Supported in the published benchmark.

4.9 Chapter Conclusion

The statistical benchmark indicates a positive and statistically significant relationship between promotion practices and perceived employee performance. The published Indian study reported $r = .664$ and $p < .001$, while promotion practices also had a significant positive coefficient in its multiple regression model. [cite](#) [turn0search1](#)

These results provide empirical support for the proposed research model, but they are not Saudi primary findings. The Saudi version of the study should replace the benchmark tables with actual questionnaire and SPSS results if the university requires primary field data.

Chapter Five: Conclusion and Recommendations

5.1 Conclusion

The study investigates whether promotion practices are associated with employee performance in private companies in Saudi Arabia. The conceptual and empirical literature supports the proposition that transparent, merit-based and appropriately structured promotion practices can be related to stronger employee performance. The benchmark evidence used in this draft provides support for the direction of the hypothesis.

5.2 Recommendations

- Private companies should maintain clear and documented promotion policies.
- Promotion criteria should be communicated clearly to employees.
- Performance and relevant qualifications should be considered systematically in promotion decisions.
- HR departments should provide employees with feedback on career-development requirements.
- Organizations should periodically review promotion decisions for consistency and fairness.
- Promotion systems should be connected with employee development and training plans.
- Future Saudi studies should use larger probability samples and include additional HR practices.

5.3 Limitations

- The proposed convenience sampling limits generalizability.

- Self-reported performance may be affected by respondent perceptions.
- Cross-sectional data cannot establish long-term causality by itself.
- The model focuses mainly on promotion practices and does not include every HR factor affecting performance.
- Most importantly, the numerical Chapter Four benchmark is based on a published non-Saudi study because no Saudi respondent dataset was supplied.

5.4 Future Research

- Compare public and private organizations in Saudi Arabia.
- Examine industry and organizational-size differences.
- Include compensation, training and performance appraisal.
- Use longitudinal designs to examine changes in performance after promotion decisions.

Appendix A: Questionnaire

Title: The Impact of Promotion Practices on Employee Performance in Private Companies in Saudi Arabia

Please indicate your level of agreement: 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree.

Section A: Demographic Information

- Gender: Male / Female
- Age: 18–25 / 26–35 / 36–45 / 46+
- Education: Diploma or below / Bachelor / Master / Doctorate
- Experience: Less than 5 / 5–10 / More than 10 years
- Job level: Entry / Middle / Senior / Management
- Industry: _____

Section B: Promotion Practices

Code	Statement	1	2	3	4	5
PP1	My organization has a clear and documented promotion policy.					
PP2	Promotion decisions give appropriate importance to employee merit and					

	performance.					
PP3	Relevant experience and length of service are considered appropriately in promotion decisions.					

Section C: Employee Performance

Code	Statement	1	2	3	4	5
EP1	My work performance is strong compared with employees who have similar qualifications.					
EP2	I consistently achieve the responsibilities and objectives expected in my position.					
EP3	My performance makes a positive contribution to my organization's objectives.					

Measurement note: The promotion-practice section is adapted from the three-item promotion measure reported in Tessema and Soeters (2006) and subsequently used in related HRM-performance research. The questionnaire should be reviewed by the university supervisor before administration.

References

Tessema, M. T., & Soeters, J. L. (2006). Challenges and prospects of HRM in developing countries: Testing the HRM-performance link in the Eritrean civil service. *The International Journal of Human Resource Management*, 17(1), 86–105. <https://doi.org/10.1080/09585190500366532>

- Singh, R., Mohanty, M., & Mohanty, A. K. (2017). The role of HR practices on perceived employee performance: Evidence from Indian service organizations. *International Journal of Applied Business and Economic Research*, 15(19), 485–504.
- Baloch, Q. B., Ali, N., Kiani, T. S., & Mufty, A. (2010). Relationship between HR practices and perceived employees' performance of bankers in NWFP, Pakistan: An empirical evidence.
- Armstrong, M. (2009). *Armstrong's handbook of human resource management practice* (11th ed.). Kogan Page.
- Griffin, M. A., Neal, A., & Parker, S. K. (2007). A new model of work role performance: Positive behavior in uncertain and interdependent contexts. *Academy of Management Journal*, 50(5), 327–347.

Final Academic Integrity Statement

This document is complete in structure and includes the requested Chapter Four statistical analysis, discussion, conclusion, references and questionnaire. Published numerical results are explicitly labelled as a benchmark from a comparable study. They are not presented as Saudi survey results. If the university requires actual primary data from Saudi employees, the benchmark values must be replaced by the real responses and SPSS output before the work is submitted as an empirical Saudi study.