

# Industrial Leadership within the United Arab Emirates: How Does Personality Influence the Leadership Effectiveness of Indian Expatriates?

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## Abstract

This study seeks to investigate the influence of personality traits on leadership effectiveness of Indian expatriates working in the United Arab Emirates. Survey data were collected from 152 Indian expatriates, who currently work in different organizations in the United Arab Emirates. In order to find out the relationship between leadership, personality traits and personal characteristics, Pearson's correlation (two tailed) matrix methods was used and considered only 1% and 5% statistically significant results for interpreting the relationships. It was found that there was an association between personality traits and leadership effectiveness skills. Analysis demonstrated that the traits relating to pro-activity, extroversion and enthusiasm were the most significant predictors of leadership skills. The sample size of Indian Expatriates is small in relation to the population it represents. Given the large expatriate workforce in the UAE, results of this study can be used in training and development when trying to enhance leadership capabilities in industries heavily staffed by expatriates. When expatriates are appraising themselves they may benefit from having a more realistic picture of their own capabilities. The findings will suggest initiating leadership and personality development programs to assist in developing the leadership areas in need of enhancement, and additionally the need for more appropriate succession planning within organizations. Established research on the connection between personality of expatriates and its effectiveness has been limited. This study is the first of its kind in the UAE and was conducted in a highly diverse work environment.

**Keywords:** Indian expatriates, United Arab Emirates, personality traits, leadership effectiveness

## 1. Introduction

Recent events in the Arabian Gulf have increased interest in the number, occupations and living conditions of the expatriates in Gulf countries which constitute a significant proportion of the world's migrant workforce. Their heavy dependence on expatriate labour is justly regarded by Gulf countries as a major problem which has broad and deep economic, political and cultural impacts (Hamid, 1996). The labor policy with regard to foreign workers in the UAE (and other GCC countries) follows the "guest worker" model, where foreign workers are hired on a temporary basis and are concentrated in jobs and economic sectors, where local skills and expertise are lacking or work is unattractive to citizens for various reasons. Guest workers in the UAE earn relatively smaller salaries than citizens, and do not benefit from the welfare system available to citizens either (Al-Waqfi and Forstenlechner, 2010; Dustmann, 1993; Hammar, 1985; Piore, 1979; Rajjman et al., 2003).

Employee personality and effective leadership are considered to be key variables that impact the performance of organizations. However, limited research has been conducted examining the influence of personality on leadership effectiveness in an environment where the workforce consists of a large percentage of expatriates. This is a gap that this paper attempts to fill. This study is designed to explore the influence of personality on leadership effectiveness of expatriates in the United Arab Emirates (UAE) business environment, which consists of over 180 nationalities from a wide range of cultural, religious and ethnic backgrounds. The UAE economy is a high growth economy (Ministry of Planning, 2005). It is rapidly diversifying into areas of tourism, manufacturing, logistics, banking and finance. The economy has attracted a large number of international companies, which operate inside and outside its Free Zones, and are attracted to the UAE because of its

advanced infrastructure, modern investment laws, and the availability of a young and wide pool of expatriate professionals a significant proportion of whom tend to be highly skilled, although many are skills-limited and become laborers. The majority of these workers come from the Indian subcontinent (51.3 percent), the wider Arab region (37.4 percent), Eastern and Western Europe, North America, Australia and New Zealand (2.2 percent) (Ministry of Planning, 2003). The Indian subcontinent and Arab nationals consist of the largest grouping of expatriates in the UAE. Although there are no concrete or formal figures because of the transience of labour, it is widely believed that expatriates comprise approximately 85 percent of the workforce in the UAE.

UAE nationals mostly seek public sector jobs and are thereby assured of job security. Even those who work in the private sector are almost guaranteed long-term employment as it is very difficult in practice to make them redundant or dismiss them for low performance. The UAE government has initiated several programs, under the Emirization strategy, to encourage the recruitment of nationals in the private sector, proposing certain recruitment targets for specific sectors including banking, insurance and education. More recent efforts have also started under various schemes (Fernandes & Awamleh, 2006). On the other hand, expatriate employees are hired on renewable three-year contracts and can be terminated within the terms of the contract with a specific term of notice. In addition, expatriates are very diverse in terms of professions and nationalities; therefore, the expatriate's personality traits and leadership skills will likely differ due to their cultural and educational backgrounds and this influence the ways in which they attempt to meet the requirements of their contracts.

## **2. Literature Review**

### *2.1 Personality*

Personality refers to a person's consistent patterns of feeling, thinking and behaving (Pervin et al., 2005), meaning that each person has a different pattern of traits and characteristics that is not fully duplicated in any other person, (with the possible exception of twins). Greenberg and Baron (2003) believe that this pattern of traits has a predictable developmental path. However, there is no accurate answer to the issue of how much heredity and upbringing affect and shape our personalities. Our genetics are responsible for generating personality parameters, although it is well recognized that our life experiences have a significant influence. Pierce and Gardner (2002) posited that personality is one of the many aspects of managerial and leadership development that we should comprehend better for the more effective training of managers and leaders.

Black and Gregersen (1999) suggest that, in a global market, organizations should seek out individuals who display extroversion and openness as two of the most desirable managerial qualities. Likewise, Caligiuri (2000a) found a positive relationship between sociability and cross-cultural adjustment. He also concluded that when new managerial appointments possessed the personality trait of openness, their contact with the local population made the adjustment process to a new social environment easier and quicker. Shortly after Caligiuri, Shaffer et al. (2006) and Kreitner and Kinicki, (2007) promoted the view that there numerous linkages within the "Big Five" that is: extraversion, agreeableness, conscientiousness, emotional stability, and openness to experience. Findings show that three of the five personality traits are significant predictors of performance (agreeableness, extraversion, and openness/intellect) and the other two to be significant predictors of adjustment (agreeableness and extraversion). These studies began to support the connection between personality and expatriate success in the leadership and management fields.

### *2.2 Leadership*

Without effective leadership, an organization cannot meet its goals (Bass, 1990 cited in Tirmizi, 2002). Research on the traits of leaders has not been able to demonstrate that any combination of physical and psychological characteristics guarantee an individual will be an effective leader in all situations. There does, however, seem to be a set of traits (competencies or skills, as they have been labeled by some researchers) that appear to differentiate successful leaders from the less successful. There is a particular collection of traits that appear to be critical to leadership. These traits are not evident in all successful leaders, but the following attributes do appear to enhance leadership effectiveness (and follower perception of leaders) in a variety of situations. Hackman and Johnson (2007) made a significant contribution by explaining that a number of interpersonal competencies that appear to be related to leadership effectiveness. The first is "Interpersonal factors" which include the ability to present an effective oral presentation or to manage conflict, to more individual-based factors, such as emotional stability and self-confidence. The second factor focuses on "Cognitive factors". Here, intelligence appears to be positively related to leadership effectiveness. Traits researchers argue that more intelligent leaders are generally more effective at problem solving and decision making. Intelligent leaders may be better at critical thinking and may also be more creative than leaders with less cognitive ability. The third element is the "Personality Factor". The focus on personality has coincided with a breakthrough in research suggesting that personality traits can be

broadly organized into five major categories, the already-mentioned “Big Five”, explained as neuroticism (emotional stability), extraversion (sociability), openness to experience (creative and curious), agreeableness (trusting and nurturing), and conscientiousness (organized and dependable). Meta-analysis of 78 leadership and personality studies has linked the Big Five personality factors to leadership effectiveness. Extraversion was found to have the strongest relationship to leadership, followed by conscientiousness, neuroticism, and openness. Agreeableness was found to have only a weak association with leadership. Motivational Factors: Motivation has been found to be positively associated with ratings of leadership potential, career achievement, and promotion. Not all motivated leaders succeed, but motivation levels may impact followers’ perceptions of a leader’s potential and the leader’s overall effectiveness. Finally, they focused on “expertise and knowledge factors” because various administrative or technical factors also contribute to leadership effectiveness. According to scholars adopting a traits perspective, successful leaders are better at planning and organizing and are experienced in the tasks performed by their followers, although it is not necessary to be able to complete every tasks performed by followers.

In 2007, Hackman and Johnson asserted that formidable interpersonal skills, as well as cognition, personality, motivation and expertise do not necessarily guarantee leadership effectiveness, but leaders who possess these traits have a stronger basis for developing leadership prowess.

According to Hughes et al. (2006), the situational aspect of leadership impacts on the effectiveness of a business, frequently the source of expatriate employment. Another perspective is that when leadership is defined in terms of organizational structure it may become “an influential increment over and above mechanical compliance within the routine directives of the organization” (Ogawa and Scribner, 2002). Furthermore, admired leaders are those who build teams to get results across a variety of situations. Leadership can emerge from within the team through unanimous selection or could be selected by the top hierarchy (Robbins, 2005). However, within the Middle East organizational structures, the top hierarchy is uniquely powerful and is the exclusive maker of decisions, although there are nebulous indications that this habit is gradually dissolving in some UAE companies.

Indian expatriates are also involved in a variety of management responsibilities. Leadership and management are two terms that are often confused. Kotter (1990) argues that management is about mastering complexity. Good management aims to get order and consistency by generating formal plans, designing appropriate organization structures, and monitoring results against plans. But leadership is about initiating and driving deliberate change so that strategy and the market environment are in synch. Leaders set up direction by developing a vision of the future, aligning others by communicating this vision and inspiring them to overcome hurdles. It is appropriate then that Robbins (2005, p. 332) should define leadership as “the ability to influence a group toward the achievement of goals”.

### *2.3 Personality and Leadership*

Preceding correlation and meta-analytic studies have suggested that there is an association between personality and leadership. The main aim of this particular section is to examine and clarify inconsistencies in the personality and leadership literatures, and to ascertain which characteristics of personality are likely to influence leadership effectiveness.

Early reviews of traits and leadership were conducted by Stogdill (1948) and Mann (1959). Later, Stogdill (1974) supported the notion that leadership is related to personality. Stogdill found positive relationships between leadership and agreeableness, conscientiousness, extraversion and openness. Clarifying his earlier work, Stogdill’s (1974) review concluded that personality and leadership demonstrated a degree of reciprocity.

Many researchers have attempted to link leadership styles and various indicators of individual personality and some have shown interesting results (Howell & Higgins, 1990; Atwater & Yammarino, 1993). Numerous studies on leadership show that personality is an important variable in leadership identification. Hogan et al. (1994) mentioned that the Big-Five constructs might be useful indicators for establishing leadership potential. Hogan et al. (1996) also suggested that well developed measures of personality could be valid predictors of behavior in many occupations. In a study investigating personality variables, Howell and Avolio (1993) found that leaders who displayed more characteristics of the transformational leadership style positively contributed to the achievement of organization goals. Interestingly, many researchers determined that transformational leadership characteristics could be taught.

Following an established line of research regarding the impact of personality on transformational leadership, (e.g. Schyns and Sanders, 2007; Felfe and Schyns, 2006; Judge and Bono, 2000), a relationship between personality and transformational leadership was found in Finnish research conducted by Hautala in 2006. He investigated

personality and leadership effectiveness in order to identify the traits that constitute personality so as to better understand individual behavior.

Furthermore, self-leadership dimensions relate to certain key personality traits (Houghton et al. 2004). A variety of personality traits are likely to be associated with self-leadership skills in meaningful ways. Extraversion is most often described as the degree to which an individual is sociable, gregarious, talkative, assertive, adventurous, active, energetic, and ambitious (Mount and Barrick, 1995). Then Williams, 1997, proposed positive associations between self-leadership skills and extraversion, emotional stability, and conscientiousness. Extraverts also tend to be high in positive affectivity (i.e. enthusiasm and positive emotions), self-efficacy, and optimism (George, 1996; Williams, 1997).

Emotional Intelligence, particularly the ability to recognize and comprehend emotions in others, accounted for the majority of the variance in transformational leadership when compared to other personality measures (Bass and Avolio, 1990). Leader preference for extraversion over introversion and intuition over perception were both associated with transformational leadership (Brown and Reilly, 2009).

#### *2.4 Leadership Effectiveness*

Perceptions of leadership effectiveness differ from one researcher to another. Most researchers evaluate leadership effectiveness in terms of the consequences of the leader's actions for followers and other organization stakeholders. Many different types of outcomes have been used, including the impact of the leader on groups or organizations, its preparedness to deal with challenges or crises, follower satisfaction with the leader, follower commitment to the group objectives, the psychological well-being and development of followers, the leader's status in the group, and the leader's advancement to higher positions of authority in the organization. One of the outstanding authorities in the field, Gary Yukl (1998), himself reiterates that leadership effectiveness can be observed through the attitude toward the leader, the leader's attribution to the quality of work processes as perceived by followers or outside observers, and the extent to which the leader's company demonstrates success. Examples of objective measures of performance or goal attainment include profits, profit margin, increased market share, sales relative to targeted sales, return on investments, productivity, cost per unit of output, costs in relation to budgeted expenditure and so on. Subjective measures include ratings of effectiveness obtained from the leader's superiors, peers or subordinates such as by means of a 360 degree instrument (Yukl, 2002).

Many researchers look at leadership effectiveness in terms of the consequences of the relationship between leaders and followers as well as other organizational stakeholders. How followers look at the leader is very important for measuring the effectiveness of the leader, that is to say, whether followers are committed, satisfied with the leader's performance is a good indicator for the leader's effectiveness. Heifetz and Laurie (1997) identify the pressing demands on leaders to mobilize workers throughout the organization to be adaptive in a changing workplace, claiming that instead of maintaining norms, leaders have to challenge "the way we do business" and help others to identify those values that must remain constant in the face of change (Sarros and Santora, 2001).

#### *2.5 Association of Personality Traits with Leadership Effectiveness*

A significant number of studies have consistently linked personality with leadership attributes. Avolio, Dionne, Atwater, Lau, and Camobreco (1996) predicted leadership styles using personality constructs. Atwater & Yammarino (1993) examined the relationship between personal attributes and perceptions of leadership. Other studies have examined personality traits and on the influence of rank within an organization (Vickers, Hervig, & Booth, 1996). Still other researchers sought to incorporate what we know about personality research into selection criteria for jobs that require effective leaders (Helton & Street, Jr., 1992; Street, Jr., Helton, & Nontasak, 1993). Overall, there has been strong evidence that some personality traits are directly related to leadership (Batlis & Green, 1980).

Therefore, there is ample evidence that there is a relationship between personality traits and leadership effectiveness. However, previous studies have not provided adequate measures of leadership effectiveness, and no studies have examined the relationship between personality and leadership effectiveness of expatriates in UAE or elsewhere. This study addresses these issues by examining the interconnection between personality traits and leadership effectiveness of Indian expatriates working in different industries across the United Arab Emirates. The UAE population presently is estimated to be around five million of which two-thirds are immigrants from foreign countries, including India. The Indian community in the UAE, numbering 1.75 million, constitutes 30 percent of the total population. The break-down of Indian emigrants in UAE is as follows: 65% belong to the blue-collar category (employed mostly in construction companies, municipalities, agricultural farms); 20% belong to the white collar non-professional (clerical staff, shop assistants, sales men, accountants etc.) and 15%

are professionals and businessmen and their family members (Embassy of India, Abu Dhabi 2012).

### 3. Methodology & Research Design

The research methodology used was an empirical approach employing quantitative dimensions to ensure maximum accuracy and validity (Aiken, 1996). A quantitative methodology was used to conduct an empirical survey by employing structured questionnaires with a number of respondents working in different industries across the United Arab Emirates, including banking, construction and a shipping company.

#### 3.1 Participants and Procedures

Researchers solicited study participants through electronic mail sent to Indian expatriates working in different industries through convenience sampling method. Overall, 300 questionnaires were sent by the researcher, out of which only 152 was completed with a response rate of 50.6 percent. Data were collected from expatriates working in Abu Dhabi, Dubai and Sharjah, UAE.

#### 3.2 Expatriates Measures

The psychological tests are developed to measure human behavior objectively. Since human behavior is complex, it is difficult to assess all the aspects of behavior by using a single test. Among the various psychological tests and tools, the questionnaire method is considered the most appropriate technique to gather information. In this study, two psychological tools in the form of questionnaire were used. The Dimensional Personality Inventory by Bhargava (2003) was used to assess the personality traits of respondents. The philosophy and guidelines for preparing this DPI Test is based on the lines of internationally acclaimed personality test- Minnesota Multiphasic Personality Inventory (MMPI) by Hathaway and McKinley (1951) which is still one of the most frequently used research instrument in the world and more than 300 measures of personality area of different languages of all over the world are derived from it (Reynolds & Sundberg, 1976). The present inventory is based on the trait theory model of Eysenck (1947), who thought that traits constitute the most important parts of personality, which refer to observed consistency of behavior and action tendencies. The questionnaire consists of 60 statements in simple language. It measures six important personality dimensions- (i) Activity-Passivity, (ii) Enthusiastic & Non-enthusiastic, (iii) Assertive- Submissive, (iv) Suspicious- Trusting, (v) Depressive & Non-depressive, and (vi) Emotional Instability and Emotional Stability. Each personality trait is measured by 10 items through three response alternatives- Yes, Undecided and No. The 'Yes' is to be scored as 2, 'Undecided' is to be scored as 1, whereas 'No' is equal to zero.

A leadership effectiveness scale developed by Dhar and Pethe (2003) was used to assess the leadership effectiveness of the respondents. This scale comprised 11 factors of leadership effectiveness that are listed below:

- High Interpersonal skills & Low Interpersonal skills;
- High Analytical skills & Low Analytical Skills;
- High Ability to monitor & Low Ability to Monitor;
- High Ability to organize & Low Ability to Monitor;
- High Ability to be tactful & Low Ability to be tactful;
- High Ability to inspire & Low Ability to Inspire;
- High Ability to Motivate & Low Ability to Motivate;
- Positive Approach & Negative Approach;
- Accommodative & Non Accommodative;
- High knowledgeable & Low knowledgeable;
- Ability to solve problems & Inability to solve problems.

To measure the background variables, the following demographic factors were included:- Type of Industry they worked, age, gender, education and income levels.

#### 3.3 Statistical Tools Used

In order to find out the relationship between the leadership, personality traits and personal characteristics the Pearson's correlation (two tailed) matrix was followed. The Pearson correlation matrix relates all variables with each other. Researchers considered only 1% and 5% statistically significant results for interpreting the relationship throughout

### 3.4 Hypotheses

Based on the literature survey, the following hypotheses were formulated in order to find out the influence of personality traits on leadership effectiveness of Indian expatriates working in United Arab Emirates.

H1: Personal characteristics and personality traits are dependent (There is an association between personal characteristics and their personality traits)

H2: Personal characteristics and leadership effectiveness are dependent (There is an association between personal characteristics and their leadership effectiveness)

H3: Personality traits and leadership effectiveness skills are dependent (There is an association between personality traits and leadership effectiveness skills)

### 4. Findings

Table 1. Pearson correlation between personal characteristics of the Indian expatriate executives and their personality traits

Personality Traits		Type of Industry	Age	Gender	Education	Income
Active & Passive Traits	Pearson Correlation	-0.10	-0.04	0.03	0.10	0.07
	Sig. (2-tailed)	0.23	0.61	0.69	0.24	0.37
Enthusiastic & Non-enthusiastic Traits	Pearson Correlation	0.12	-0.02	0.09	0.07	-0.03
	Sig. (2-tailed)	0.13	0.78	0.28	0.42	0.73
Assertive & Submissive Traits	Pearson Correlation	0.07	-0.04	0.00	0.02	-0.01
	Sig. (2-tailed)	0.37	0.65	0.99	0.84	0.86
Suspicious & Trusting Traits	Pearson Correlation	-0.01	0.08	-0.02	0.05	0.00
	Sig. (2-tailed)	0.92	0.35	0.79	0.55	0.95
Depressive & Non-depressive Traits	Pearson Correlation	-0.17*	0.16	0.04	-0.05	0.02
	Sig. (2-tailed)	0.04	0.06	0.61	0.51	0.84
Emotional Stability & Emotional Instability Traits	Pearson Correlation	0.11	-0.04	0.02	0.08	0.04
	Sig. (2-tailed)	0.18	0.65	0.79	0.36	0.66

Note: statistically significant at 5% level.

Among all the independent variables of personal characteristics, it is the nature of the industry that influences the depressive/non-depressive personality traits. The type of industry negatively influences the depressive trait, meaning the probability of personal traits become more depressive as the type of industry they work in moves from a bank to a construction site and then to shipping and government. Various factors which attribute to job transitions among expatriates are disparities in compensation between personnel who do the same work, discrimination, and disparities in benefits and perks. Job satisfaction level accounts for the depressive traits. The inclusiveness shown towards the employees in the private sector generates higher levels of job satisfaction, which in turn results in fewer depressive traits. Therefore, the outcome of the first objective, using correlation matrix, is that not all the personal characteristics are related to the personality traits of the respondents.

The first hypothesis was tested that:

*H1: Personal characteristics and personality traits are dependent (There is an association between personal characteristics and their personality traits)*

The hypothesis was rejected and it was concluded that there is no association between personal characteristics and their personality traits.

Table 2. Pearson correlation between personal characteristics of the Indian expatriate executives and their leadership effectiveness

Leadership Traits		Type of Industry	Age	Gender	Education	Income
Interpersonal Skills	Pearson Correlation	-0.02	-0.04	0.03	-0.08	-0.09
	Sig. (2-tailed)	0.85	0.59	0.71	0.31	0.29
Analytical Skills	Pearson Correlation	-0.02	-0.06	0.04	-0.05	-0.16
	Sig. (2-tailed)	0.79	0.45	0.60	0.57	0.052
Ability to Monitor	Pearson Correlation	-0.02	-0.14	0.03	-0.08	-0.19*
	Sig. (2-tailed)	0.85	0.09	0.71	0.31	0.02
Ability to be Tactful	Pearson Correlation	0.01	0.09	0.05	-0.03	0.09
	Sig. (2-tailed)	0.86	0.26	0.52	0.74	0.28
Ability to Inspire	Pearson Correlation	-0.03	-0.10	0.05	-0.03	-0.09
	Sig. (2-tailed)	0.74	0.20	0.52	0.74	0.27
Ability to Motivate	Pearson Correlation	-0.11	-0.08	0.05	-0.03	-0.15
	Sig. (2-tailed)	0.18	0.35	0.52	0.74	0.07
Approach	Pearson Correlation	-0.07	0.01	0.05	0.09	0.12
	Sig. (2-tailed)	0.41	0.92	0.52	0.26	0.15
Ability to Solve Problems	Pearson Correlation	0.03	-0.03	0.04	0.03	0.02
	Sig. (2-tailed)	0.73	0.73	0.60	0.75	0.78
Knowledge	Pearson Correlation	0.11	0.06	0.06	0.14	-0.02
	Sig. (2-tailed)	0.17	0.48	0.46	0.09	0.82

Note: statistically significant at 5% level.

Among all the independent variables, only the respondent's income has a relationship with a leader's ability to monitor effectively. It means that as the incomes of the respondents increase, their ability to monitor demonstrates a decline. As the position and the related financial returns increases, the employees try to delegate the responsibilities to their subordinates which in turn results in the reduced level of effective monitoring. The higher level employees focus on decision making and on delegation and so the execution of daily administrative performance results in a diminished quality of work. Therefore, the finding of the second objective, using a correlation matrix, is that all the personal characteristics are not effective in leadership except income in influencing the ability to monitor skills.

The second hypothesis was tested that:

*H2: There is an association between personal characteristics and their leadership effectiveness.*

The hypothesis was rejected and it was concluded that there was no association between personal characteristics and their leadership effectiveness. Similar findings were observed by Glasscock (1991).

Table 3. Pearson correlation between personality traits of the Indian expatriate executives and their leadership effectiveness skills

		Active & Passive Traits	Enthusiastic & Non-enthusiastic Traits	Assertive & Submissive Traits	Suspicious & Trusting Traits	Depressive & Non-depressive Traits	Emotional Stability & Emotional Instability Traits
Interpersonal Skills	Pearson Correlation	-0.02	-0.03	0.09	-0.04	0.12	0.04
	Sig. (2-tailed)	0.77	0.69	0.26	0.62	0.16	0.62

Analytical Skills	Pearson Correlation	-0.03	-0.05	0.01	-0.06	0.16**	-0.09
	Sig. (2-tailed)	0.68	0.57	0.87	0.48	0.04	0.29
Ability to Monitor	Pearson Correlation	-0.02	-0.03	-0.07	-0.04	-0.06	0.04
	Sig. (2-tailed)	0.77	0.69	0.37	0.62	0.48	0.62
Ability to be Tactful	Pearson Correlation	-0.04	0.08	-0.03	0.17**	0.10	-0.05
	Sig. (2-tailed)	0.61	0.33	0.70	0.04	0.21	0.56
Ability to Inspire	Pearson Correlation	-0.04	-0.06	-0.13	0.29*	0.20**	-0.17**
	Sig. (2-tailed)	0.61	0.49	0.12	0.00	0.01	0.04
Ability to Motivate	Pearson Correlation	-0.04	0.08	-0.03	0.05	0.10	-0.05
	Sig. (2-tailed)	0.61	0.33	0.70	0.56	0.21	0.56
Approach	Pearson Correlation	-0.04	-0.06	-0.13	0.17**	0.20**	-0.17**
	Sig. (2-tailed)	0.61	0.49	0.12	0.04	0.01	0.04
Ability to Solve Problems	Pearson Correlation	-0.03	-0.05	-0.10	0.23*	0.04	-0.23*
	Sig. (2-tailed)	0.68	0.57	0.21	0.00	0.61	0.00
Knowledge	Pearson Correlation	0.26*	0.17**	0.10	-0.08	0.06	0.08
	Sig. (2-tailed)	0.00	0.03	0.21	0.32	0.47	0.32

Note: Statistically significant at 1% and 5% levels respectively

The non-depressive traits of the respondents positively influenced their analytical skill and ability to inspire improvement, which in turn influenced their overall leadership approach in a positive way. The non-depressive nature enhances and boosts a positive outlook and results in an optimistic approach in leadership dealings. The results are consistent with previous research which states that individuals who are higher on neuroticism tend to be more reactive and affected by stress while those scoring lower on this dimension are generally calm and less impacted by stress (Hackman and Johnson, 2007). This eventually makes them non-depressive. It was also found that the respondents' trusting traits positively influenced their ability to be tactful, ability to inspire, and their ability to solve problems. It also positively influences their approach skills.

The active and enthusiastic traits of the respondents have a positive influence on their leadership capabilities. The emotional stability of respondents negatively related to their ability to solve problems, and ability to inspire. It also negatively influenced the approach of the respondents.

Therefore, the finding of the third objective, using a correlation matrix, is that the personal traits are related to leadership effectiveness.

The third hypothesis:

*H3: Personality traits and leadership effectiveness skills are dependent*

This dependency demonstrated that there was an association between personality traits and leadership effectiveness skills. This was also supported by previous research done by Lord et al. (1986) who presented a more optimistic view of the power of personality traits to predict effective leader behavior.

## 5. Discussion

In this empirical research, the association between leadership, personality traits and personal characteristics were examined. The results of this study suggest that there is no association between personal characteristics and their personality traits. Personality traits and personal characteristics of the expatriates are not related to each other.



Job satisfaction level is correlated to the depressive traits. Depressive traits are seen to a greater degree in the government sector and in a descending order from the private shipping company to the banks that were surveyed.

The results of our research aiming at exploring the association between Indian expatriate personal characteristics and leadership effectiveness were also reported. The leadership effectiveness was related with only one personal characteristic which was the income of the employees. The greater the income, the greater the tendency to delegate the responsibilities to the subordinates which led to deteriorating monitoring effectiveness.

In this study, a direct association between personality traits and leadership effectiveness skills was found. The non-depressive traits of the respondents positively boost the analytical thinking by which problem solving is made easier. This may be one of the reasons why Indian expatriates are considered to be the most preferred and reliable workforce in UAE organizations: They are preferred over other expatriate work forces because of their acceptance of low remuneration and they have a high commitment due to their non-depressive traits. The authors suggest that there is scope for future research to explore the traits of Indian expatriates and compare them with other expatriate nationalities.

In most cases in the UAE, it is quite common to have inconsistent procedures dealing with employees based on their nationalities and backgrounds, including compensation, leave time, career paths, performance appraisals and others. As the federal government is trying to reduce unemployment amongst the nationals, it has embarked on the Emiratization programme, where businesses are required to demonstrate good effort to recruit and maintain nationals, otherwise they may suffer sanctions, such as being officially blacklisted.

The UAE labor environment consists of overwhelming majority of expatriate workers who reside temporarily in the UAE but do not settle there permanently (currently they cannot become permanent citizens of UAE by law). Accordingly, the turnover among staff in organizations is higher than the average elsewhere. Laws are still developing and changing including labor and general business laws. There are no labor unions or labor advocacy organizations, and hence there is no enterprise bargaining agreements. Salary and benefits often times differ even within the same organization, and that includes multinational corporations. This salary factor is also supported in a recent survey where one in four MENA professionals agrees that their current salary is the main instrument of loyalty towards their current employers (Gulf Business Salary Survey, 2012). The terms of employment are governed by individual contracts that are explicitly and implicitly tilted towards the employer. The general sense is that inequalities are part of the norm and common practice reinforced by a system of individual negotiations of salaries, benefits, power structures, workloads and so on. Considering all the above points, it appears that Indian expatriates in the UAE may have certain positive as well as negative personality traits and these in turn have an impact on the effectiveness of their leadership skills.

## 6. Conclusion

We believe that it is well worth the cost and effort for companies to train and develop their managers as to the perceptions of leadership traits on the motivation and commitment of their employees. This will eventually result in better long-term organizational stability when succession planning is integrated with the developmental process.

Results of this study open the door for further investigations. Areas deserving future serious attention include the relationship between satisfaction and performance within the context of organizational justice, and with further focus on expatriate and UAE nationals as study groups. Of importance is a deeper investigation of the UAE expatriate workforce with regard to their various reactions and feelings towards the various labor conditions and their affective and behavioral responses on the job.

Worthy of scholarly attention is the assessment of effects that leadership opportunities, cultural experience, level of skills, and career aspirations have on perceptions of job satisfaction and performance. Importantly, demographic factors need to be further explored and tested. In this regard, the UAE is a fertile ground where a very large percentage of the labor forces are expatriates.

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