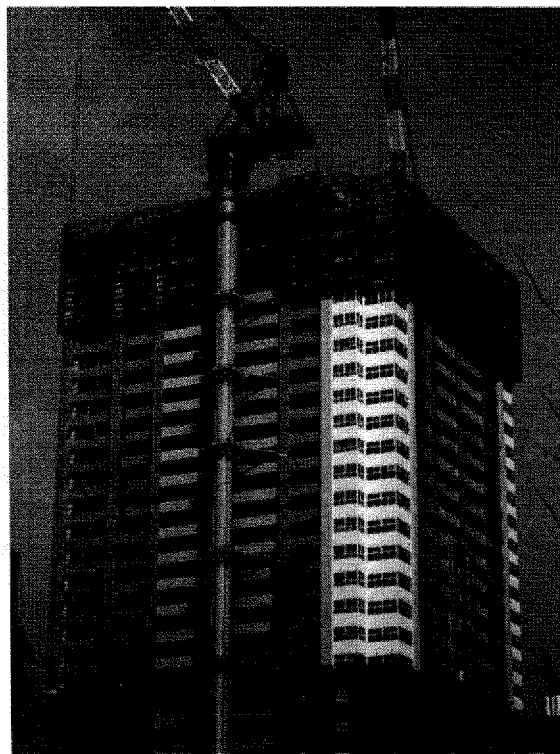


Should Petrofac invest in its own residential buildings for employee accommodation to address increasing house rents?



Session: May 2009

WORD COUNT: 1996 words

Executive Summary: 195 words

Research Proposal: 491 words

ACKNOWLEDGMENTS

I would like to acknowledge and thank the following people who managed to set apart some of their precious time in order to guide me and help me in completing my project. Without their constant help and guidance (regarding the various aspects of Petrofac), this project wouldn't be successful.

(HR Director,)

(Finance Manager,)

&

(Business Studies instructor)

CONTENTS TABLE

SERIAL NUMBER	TOPIC	PAGE NUMBER
1	Letter of Authentication	4
2		
3	Research Proposal	6
4		
5	Introduction	11
6		
7	Main Results/Findings (i) Data from employee surveys13 (ii) Data obtained from Petrofac16	13
8		
9	Conclusion, recommendations and limitations	26
10		
11	Appendices (i) Appendix 1.....29 (ii) Appendix 2.....31 (iii) Appendix 3.....34 (iv) Appendix 4.....36 (v) Appendix 5.....38 (vi) Appendix 6.....39 (vii)Appendix 7.....40 (viii)Appendix 8.....41	29



15th June, 2008

To whomsoever it may concern

This letter affirms that _____ (student of Chinmaya International Residential School) has diligently undertaken the task of interviewing me and discussing with me the present hindrances faced by Petrofac International Ltd, Sharjah regarding the rise in the UAE house rents and its effects on the house rent allowances (HRA).

He has also explored the various solutions to this problem and has been in regular touch with me and the various employees of Petrofac to understand their views about the solutions he has proposed. Throughout the two weeks he has carried out his research work very sincerely and professionally.

We are sure that with his confident attitude he will be an asset to any organization. We wish him all the success in his studies and a bright future.

A handwritten signature in black ink, appearing to read "Chandra Singh".

Human Resources Director
Petrofac International Limited, Sharjah, UAE

Petrofac International Ltd, Petrofac House, Al-Khan Road, PO Box 23487, Sharjah, UAE
Tel +971 6 574 0999 Fax +971 6 574 0099

Registered in Jersey No. 02018 Registered Address: Watkley Chambers, One Street, St Helier, Jersey JE1 1RQ, UK

www.petrofac.com

Letter of Authentication



26 Nov 2008

To whomsoever it may concern

an IB Diploma student of
has carried out a study on the feasibility of Petrofac investing in a residential complex in Ajman /
Sharjah to address the issue of employee accommodation. In the course of his project he contacted us
to obtain relevant data on employee housing cost and Petrofac's approach to housing.

We have reviewed the report and are happy to state that the study has captured various issues related
to the subject quite well and has objectively dealt with the subject keeping in mind the financials as
well as the soft aspects of employee feelings through the employee survey.

Based on this study, while it looks an attractive proposition to either develop a residential complex in
Ajman or buy ready-made buildings in Sharjah, we feel we would need to carry out a more detailed
exercise involving a larger employee population and review the proposal in light of current financial
situation prevailing in the UAE and the real estate pricing trends.

All in all, we feel the student has carried out a comprehensive and relevant study, taking into account
current market situation and looking at various scenarios. This would be quite useful for us in our
future decision making.

We wish him good luck in his studies and future endeavours.

manager - Employee Relations & Compensation

Petrofac International Ltd, Petrofac House, Al-Khan Road, PO Box 23467, Sharjah, UAE
Tel +971 6 574 0999 Fax +971 6 574 0099

Registered in Jersey No. 92899 Registered Address: Whiteley Chambers, Dore Street, St Helier, Jersey, JE1 9RQ, UK

www.petrofac.com

Letter of Value to Management

RESEARCH PROPOSAL

Research Question:

Should Petrofac invest in its own residential buildings for employee accommodation to address increasing house rents?

Rationale:

The increasing house rents in Dubai and Sharjah provides Petrofac International with an opportunity to invest in its own residential building for its workers. Petrofac is considering a plot of land to invest in, to build a building and provide accommodation to 500 families.

Theoretical Framework:

I would be analyzing both monetary and non-monetary circumstances in my appraisal for management. Mainly I will be concentrating on applying business tools such as Investment Appraisal, Financial Modeling, Lewin's Force Field Analysis and an applicable SWOT analysis for this decision.

Key areas of syllabus:

- 1.6 SWOT Analysis (HR/Finances/Cost)
- 1.9 Change Management (Using Lewin's Force Field Analysis)
- 2.0 HR Planning (Employee Motivation)
- 3.0 Accounts & Finance (Investment Appraisal)

Methodology:

❖ **Primary Research:**

First Step:

Interviewing the Human Resources director in order to understand the basis for setting the HRA's of the employees and to gather information regarding Petrofac's primary objectives and company's strengths and weaknesses.

Second Step:

Conducting surveys among the employees of the company to conceive their views about this decision.

❖ **Secondary Research:**

First Step:

Review important documents such as the P/L account, news articles regarding the rising rents and rise in cost of properties and previous records to acquire past 5 years information concerning the changes in the House Rent Allowances (HRA).

Second Step:

Review Petrofac's annual profits & turnover by assessing records of the company over the last few years. Differentiate between the expenses involved in setting up a complex and expenses involved in providing employees with complete accommodation allowance.

Problems likely to be encountered and possible solutions:

<u>Possible problems</u>	<u>Solutions</u>
Difficulty in obtaining key financial data due to confidential issues.	Gather data from all sources including employees and workers and cross checking.
Difficulty in obtaining relevant and true information.	Confirm this information with more interviewees.
Limited amount of time available for interviews.	Avoid wasting time in long discussions and nullify open ended questions. Take along a friend or acquaintance to help out.
Difficulty in distributing the Survey Questionnaires as time lags and difficulty in mobility.	Use a comprehensive and electronic form of questionnaire which can be mailed to the employees directly.

Action Plan/Research timeline

<u>Date</u>	<u>Activity</u>	<u>Modification</u>
December 2007	Topic selection	
02/12/07 – 3/01/08	Write initial proposal.	
10/04/08 – 27/05/08	Begin research / Review proposal	<i>Minor modifications to the research topic.</i>
1/06/08 – 2/06/08	Write Interview Questions	<i>Write more Interview questions for the interview with the Finance Manager of Petrofac.</i>
3/06/08 – 6/07/08	Review companies report and conduct employee surveys and interview.	<i>Data collected insufficient hence get more data and references from the internet.</i>
07/07/08 – 10/07/08	Make charts and organize data.	
08/11/08	Write Introduction.	
10/11/08	Begin writing the 1 st draft	<i>Addition of more charts and diagrams.</i>
11/11/08	Construct the Decision Tree	
12/11/08	SWOT and Survey Analysis.	<i>Decision tree not a relevant tool in this project, thus include Lewin's Force Field Analysis.</i>
13/11/08	Investment Appraisal	
14/11/08	Complete 1 st Draft	
17/11/08 – 26/11/08	Refine 1 st Draft	<i>Complete the first draft by 20th November and ask for second opinion. Omissions, as above word limit by 800 words.</i> <i>Requested Petrofac for certificate of Value to Management.</i>
27/12/08	Final Submission	

EXECUTIVE SUMMARY

The introduction gives an insight of Petrofac's financial conditions and helps in establishing the purpose of this report, to enquire "Should Petrofac invest in its own residential buildings for employee accommodation to address increasing house rents?"

The procedure/methodology comprises of the primary research which provides a basis for analysis of the data acquired by conducting employee surveys in Petrofac and conducting an interviews with the HR Director and Finance Manager of the company. It also comprises of the secondary research which was acquired from Petrofac's annual financial reports and media sources viz. Internet and newspapers.

The analysis of the data gathered from Petrofac is done by using Business Tools viz. SWOT Analysis, Survey analysis, Lewin's Force Field analysis and Investment Appraisals.

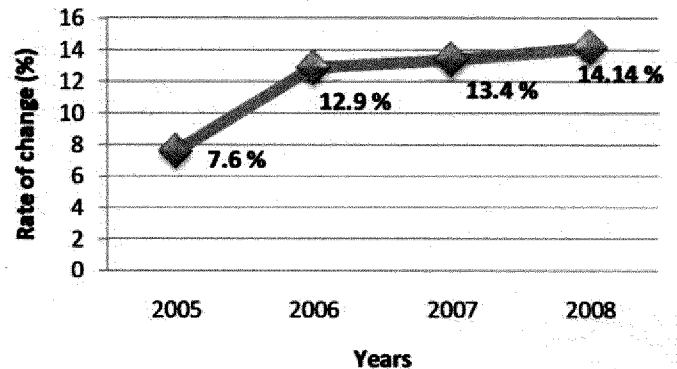
This report talks about the availability of 3 options to Petrofac though the conclusion favours the option of Petrofac investing in its own buildings by constructing a residential complex in Sharjah as the cost involved in it would be as low as AED 551 million and would yield AED 908 million on selling after 10 years. This investment would greatly help Petrofac Sharjah in ameliorating employee motivation and retention over a period of time.

WORD COUNT: 195 words

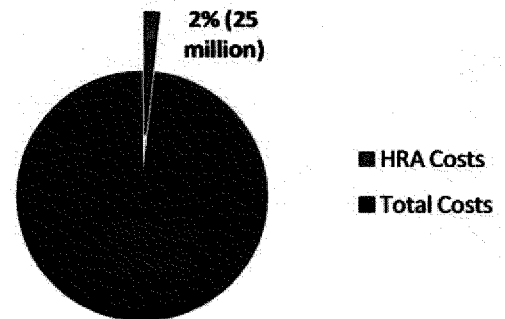
INTRODUCTION¹

Over a period of 4-5 years the property rates and general costs of goods and services in the UAE have been increasing at a tremendous rate which can be observed from the secondary data gathered. Hence this has been unceasingly causing cost management problems for *Petrofac Sharjah*^a (Petrofac International Ltd. Is the mother company) as this rise in property rates have caused majority of the employees to demand for higher House Rent Allowances (HRA) in order to successfully meet their requirements. Thus I have taken the house rents of Sharjah as *out of 2468 employees in Petrofac Sharjah 1565 stay in Sharjah*^b. The HR Director of Petrofac Sharjah spoke in length about this prevailing problem in my interview with him. This incessant rise in property rates and costs for Petrofac have caused the company to consider more cost effective options for employee accommodation as even though HRA allowances contributes only 2% (25 million)^c to Petrofac Sharjah's annual costs (1.3 billion)^d. Petrofac understands the *value for money*^e and is in the constant lookout for methods to lower any superfluous costs and attain supreme quality and employee satisfaction. Therefore, by using business techniques viz. investment appraisal, appropriate survey analysis and Lewin's Force Field analysis this research material will be able to determine whether Petrofac's investment in its own building by either buying out the buildings or constructing a complex of buildings will help resolve its problem regarding increasing house rents for employees.

Rate of increase in Sharjah house rents



Contribution of Petrofac Sharjah's HRA costs to Petrofac Sharjah's total costs in 2007.



¹ <http://archive.gulfnews.com/articles/07/06/29/10135507.html> to understand Ajman Property Market, viewed on 14/11/07

^a Starting in 1991 as an EPC company in Oil & Gas sector, Petrofac Sharjah contributes the maximum revenue to its mother company Petrofac International Limited. Petrofac Sharjah's specialization in construction has helped it reach great heights.

^b Refer to Appendix 2 (Interview with HR Director); Question number: 1

^c Refer to Appendix 2 (Interview with HR Director); Question number: 2

^d Refer to Appendix 6 (Engineering & Construction); Costs = Revenue - Profits = 1,414,948,000 - 137,094,000 = 1.3 billion (approx.)

^e Refer to Appendix 4 (SWOT Analysis)-Strengths

PROCEDURE /METHODOLOGY

Primary Research:

- Interview with _____ who is the HR Director of Petrofac International Ltd. Sharjah regarding the conduciveness of this hypothetical project. This interview also helped in the formulation of the SWOT analysis of Petrofac.
- Conducted employee surveys amongst 50 employees for 2 weeks to determine whether change management would be a constraint for the success of this hypothetical project. The surveys were targeted at a particular group of employees who belonged to the grade 12-19. Every 10th person in each grade was surveyed, thus almost 6 from each grade. These surveys also helped in determining the annual costs incurred by each employee.

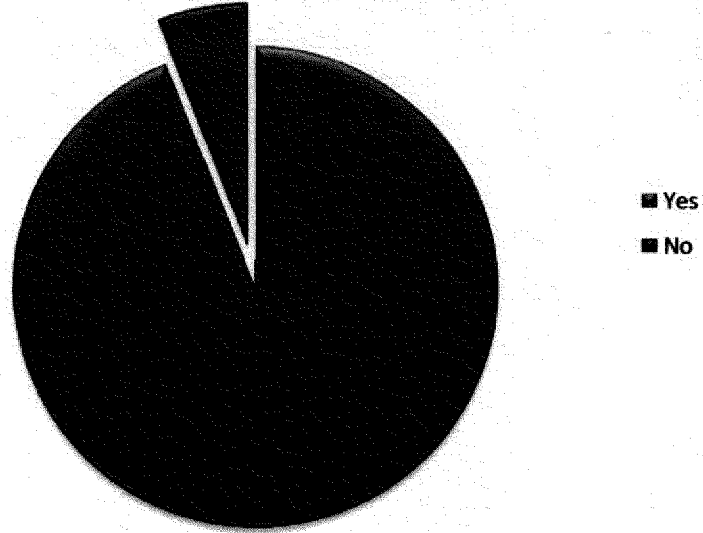
Secondary Research:

- Analysis of the past 5 year financial reports of Petrofac which includes the P/L account 5 year financial summary for investment appraisal.
- Data acquired from the newspaper articles and the internet sites to provide proof for the rising property and rent rates.

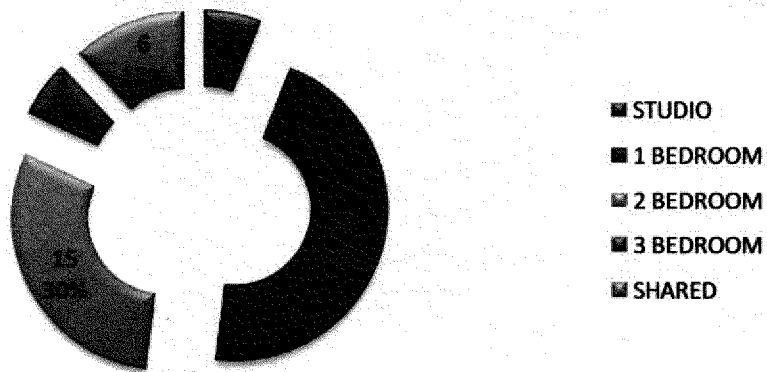
MAIN RESULTS/FINDINGS

Data from employee surveys (Number of Samples: 50)

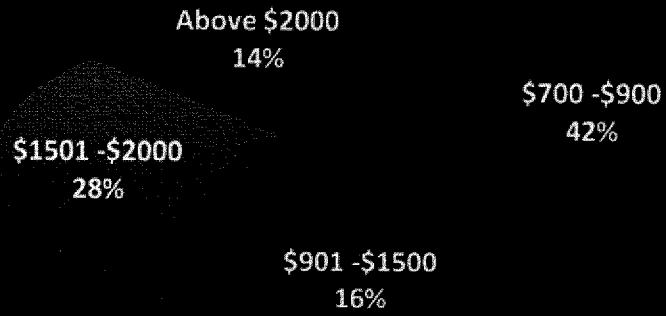
Is the trend of house rent increase affecting your families choice of accomodation adversely, compromising on location and space.



Accommodation Break-up



Housing Rent Allowance (HRA)



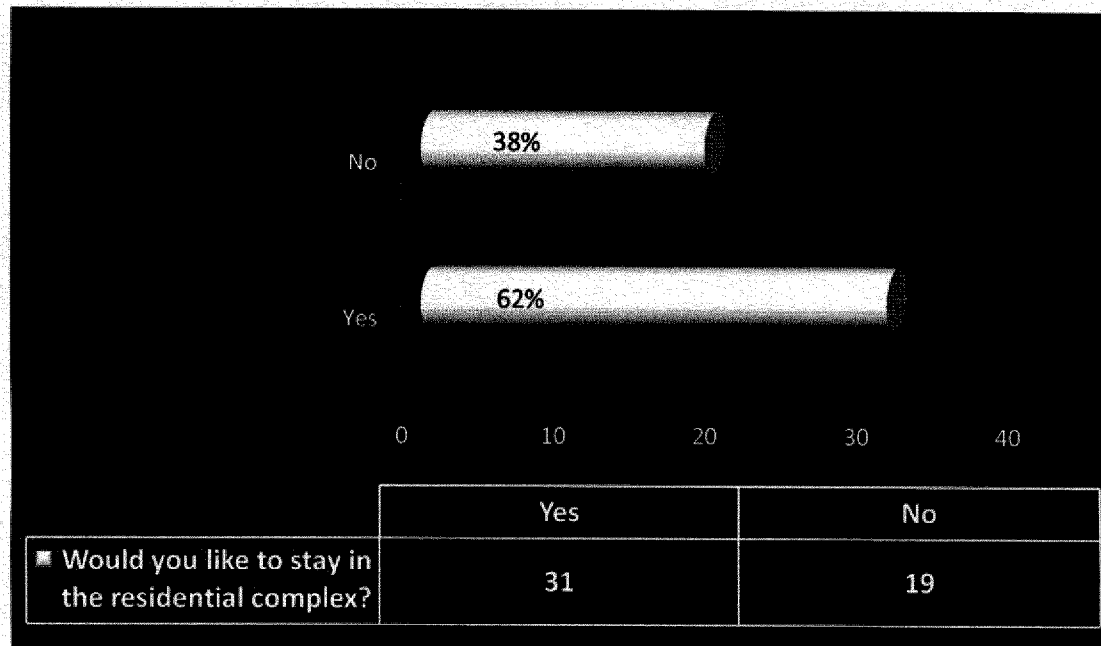
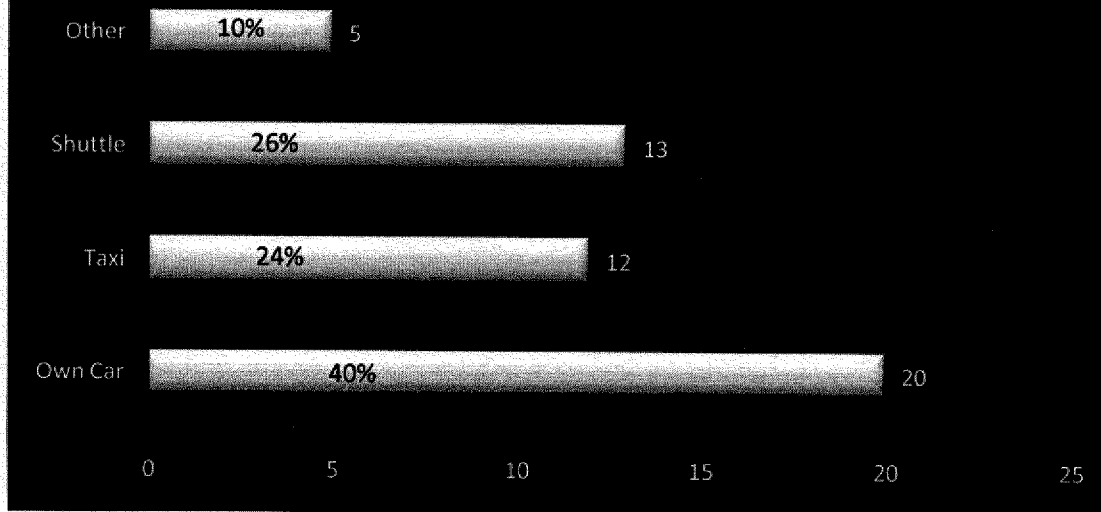
Not Important 8% 4

Important 92% 46

0 5 10 15 20 25 30 35 40 45 50

	Important	Not Important
How important is it to stay within 5km of the office.	46	4

Mode of Transportation to office.



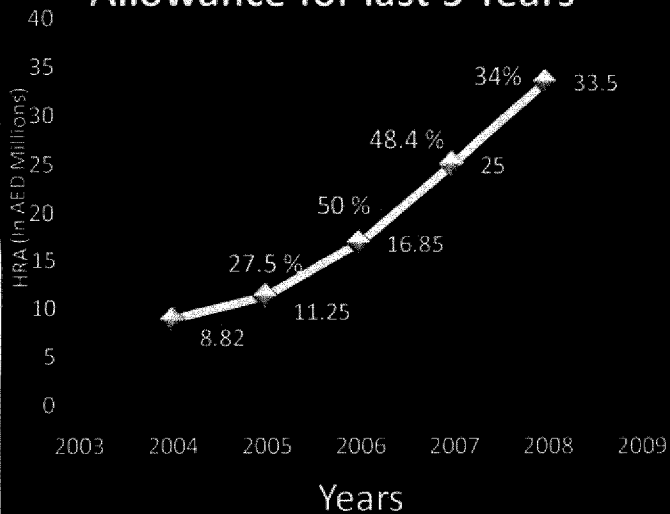
Would living in a company provided accommodation with your colleagues as a community result in a better work-life balance?

No
32%

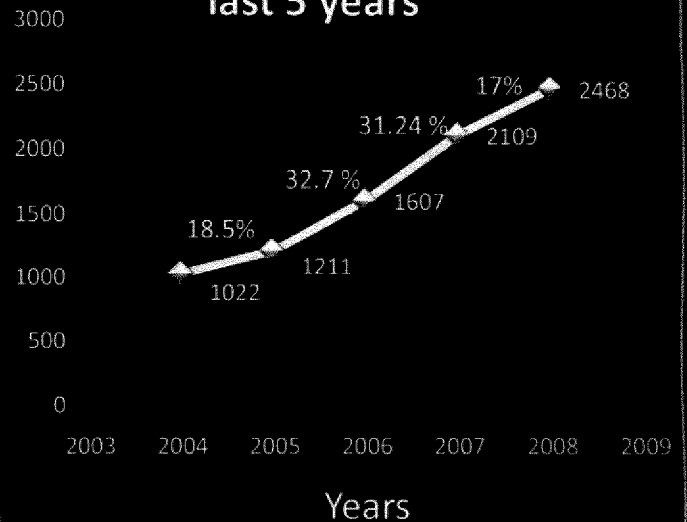
Yes
68%

Data obtained from Petrofac Financial Documents as Secondary Source²

Total Housing Rent Allowance for last 5 Years

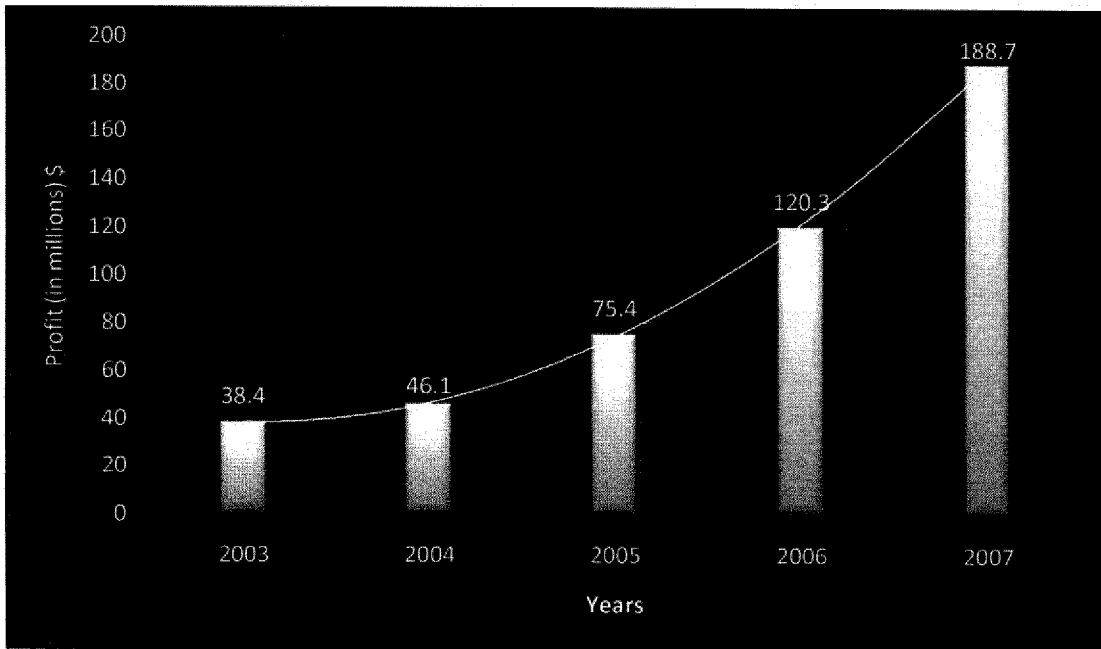


Number of employees in last 5 years

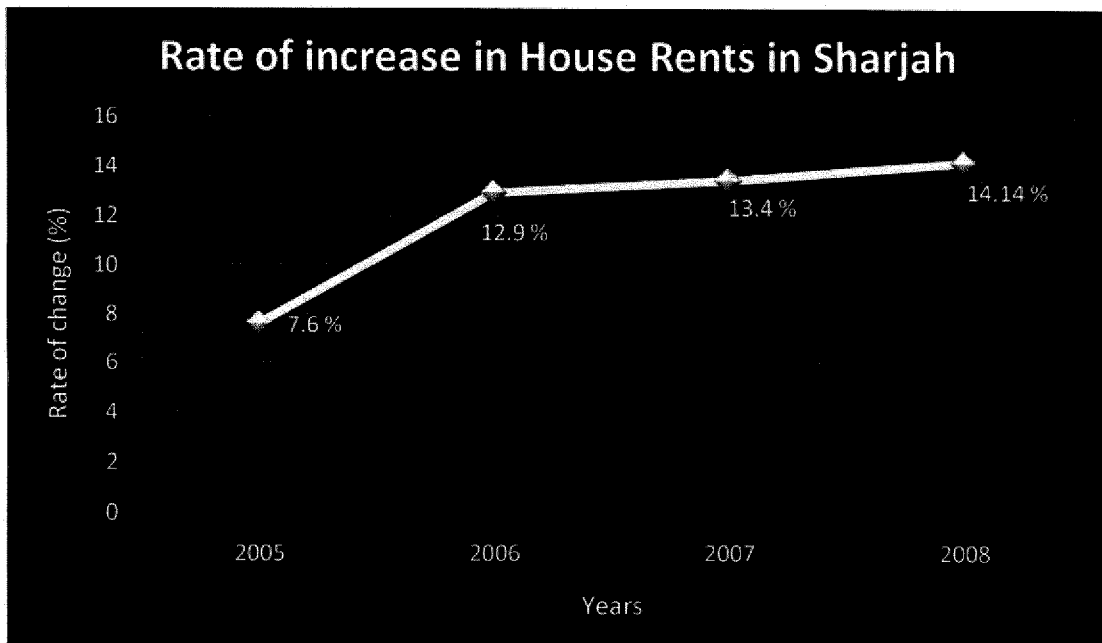


² Appendix 2: Interview with HR Director; Question number 2

Increase in Petrofac International Ltd. profits over last 5 years^{3,4}



House rents calculated on the basis of change in the HRA of an employee over the last 5 years.⁵



³ Appendix 7: Petrofac report: 5 years review

⁴ Appendix 4: SWOT analysis - Strengths

⁵ Calculation: Appendix 8

ANALYSIS & EVALUATION

1. Survey Analysis

A total of 50 samples were taken over a period of 2 weeks to understand the views of the employees. The method used to conduct the survey was cluster sampling but with clearer focus in order to avoid any sampling mistakes as it was focussed on the relevant employees of grades 11-19 who are the major group of employees in the company to be highly vulnerable to this rise in house rents.

94% of the surveyed employees agreed that the rising property rent rates were affecting their choices of accommodation adversely, which supports the secondary data. Of the 50 employees sampled, 46% of them said that they were living in 1 bedroom apartments followed by 30% who said that they were living in 2 bedroom apartments. However, 3% of them added that the HRA's given to them were lower than the actual house rents and in order to save they were living in shared apartments. The HRA's of 42% of the employees are ranged between \$700-\$900 which is very low compared to the present market conditions hence these employees desire higher HRA's in order to live comfortably.

92% of the sampled employees said that living in 5km distance from the office is necessary as the office is *located in the heart of the city*⁶ where the traffic is high throughout the day which makes it very difficult for the employees to travel. Also few of them who travel by taxi's and shuttles preferred to live nearby as they would be able to avoid the high public transportation costs by walking to the office.

62% of the employees were in favour of the Ajman residential complex. This complex would provide them with safety, health amenities and recreational facilities. Yet 38% employees didn't agree. This was because Ajman is about 5-10 km from the new office and the people living in Sharjah were accustomed to their Sharjah lives and weren't ready to be dependent on the company transportation every day.

The employees who were against this complex confessed that this change would nullify the savings they were making with the HRA's as they were living in shared

⁶ Appendix 4: SWOT analysis-Weaknesses

and 1 bedroom apartments. Those who disagreed to stay in the complex further said that after the day's work they demanded privacy with their family and didn't want to live in a community with their colleagues. *This meant that the residential complex would add to the vows of those few employees who had a tough time with their counterparts at work*⁷. One of the prime reasons why 38% people disagreed to living in a complex is "Dubai is further away from Ajman than Sharjah" which is the entertainment hub of UAE. It would also be far away from their children's schools and their spouse's offices. Hence Ajman would be beneficial in optimizing costs and getting *both, peaceful life and a decent social life*⁸. By investing in the Ajman Complex, Petrofac would have freehold ownership of the land, effective access to the Sharjah and Dubai airports and negligible bureaucracy.

2. Investment Appraisal

This will determine whether Petrofac's investment in its own buildings would be viable or not. Hence in order to be sensitive with the analysis, a growth rate of 10%, 15%, 20% and 25% is taken. This growth rate is determined on the basis of the secondary data from Petrofac which shows the percentage rise in the total *HRA's over the last 5 years*⁹. The *HRA's per person used in the Investment Appraisal*¹⁰ were determined on the basis of the maximum HRA in the band 11-16. Hence this would determine the maximum possible cash flow from Petrofac. The preferred discounting rate and interest rate is *7% according to various banks which would provide Petrofac the loan*.¹¹ As the value of the loan becomes higher so does the interest rate. This totally depends on the respective bank.

⁷ Appendix 4: SWOT analysis-Weaknesses

⁸ http://www.articlealley.com/article_584274_33.html :Life in Ajman, viewed on 17/11/08

⁹ Refer to page 16: Secondary source data

¹⁰ Appendix 5: HRA of the employees in band 19 which is the maximum HRA for the group of employees chosen. Annual HRA = AED 8750 x 12 = AED 105,000 as this would give the maximum outflow of money possible.

¹¹ Appendix 3: Interview with Finance Manager & <http://www.dubaicityguide.com/realestate/mortgages.asp>

Cost of constructing a complex of 5 buildings in Ajman¹² (Option 1)

Cost of constructing 1 bldg. (100 flats)				
Type of flat	Number of flats	Cost per square foot (AED.)	Area of each flat (sq. feet)	Total individual cost (AED.)
Studio	20	500	800	8,000,000
1 Bedroom	40	500	1000	20,000,000
2 Bedroom	40	500	1200	24,000,000
Total	100			AED. 52 million
Cost of constructing a complex of 5 buildings (500 flats)				
Total	5 x 100 = 500 flats			AED 52 x 5 = AED 260 million
Additional expenses for power supply and water =				AED 50 million
Additional expenses for amenities viz. Spa, gym =				AED 40 million
Total cost of constructing complex of 5 buildings =				260 + 50 + 40 = AED 350 million

Cost of buying 5 buildings in Sharjah for 480 employees¹³ (Option 2)

Cost of buying 1 building in Al Khan, Sharjah			
Type of flat	Number of flats	Other Amenities	Sources of Revenue
1 Bedroom	72	High quality finish, A/C Central/Split Ducts Intercom, 2 lifts	4 shops under the building
2 Bedroom	24		
Total	96		Revenue = AED 4.93 million
Total Cost			AED 48 million
Cost of buying 5 similar buildings in Al Khan, Sharjah			
Total	96 x 5 = 480 flats		AED 48 x 5 = AED 240 million
Additional expenses for power supply and water =			AED 50 million
Additional expenses for amenities viz. Spa, gym =			AED 70 million
Total cost of buying 5 similar buildings in Sharjah =			240 + 50 + 70 = AED 360 million

Petrofac wouldn't be able to enjoy economies of scale if it constructs the extra amenities (swimming pool and club area) as the total construction would be minimal hence the *overall costs for constructing extra amenities in the 5 buildings would be higher¹⁴* in comparison to those while constructing a complex.

¹² Appendix 3: Interview with Finance Manager

¹³ http://www.bayut.com/uae/sharjah/buildings/al_khan_building_for_sale_sharjah_near_al_gasbaa-369405.html : Availability of building in Al Khan, Sharjah, viewed 15/11/08 (If 5 buildings of this type were acquired)

¹⁴ Appendix 3: Interview with Finance Manager

- Provide perks such as a *crèche for toddlers*¹⁹ in the complex in order to attract more employees.

Limitations of my research:

- The surveyed population does not represent the views of all those 500 people who would live in the complex, hence Petrofac would have to carry out a detailed full scale research to ensure a much more comprehensive analysis.
 - The property rates, interest rates and discounting rates are subject to fluctuation hence Petrofac would have to review the proposal in light of current financial trends in the UAE
 - The force field analysis may provide more subjective data rather than facts or evidence therefore Petrofac would have to brainstorm in meetings to determine the various other forces which would affect them.
-

¹⁹ A hospital where foundlings (infant children of unknown parents) are taken in and cared for. Both the parents of the child can work without any vexations regarding the safety and health concerns of their baby or child.

Methods of Calculation

PMT calculates the payment for a loan based on constant payments and a constant interest rate. It depends on the interest rate of the loan, the total number of payments for the loan, the present value of it and the future value of it.

Present Value	Interest Rate	No. Of Payments	Future Value
AED 245 m	7%	10	AED 0
Thus value of each instalment calculated using Microsoft Excel =			-PMT(0.07,10,245,0,0) = AED 34.9 million
Total cash outflow =			34.9 x 10 = AED 349 million

NPV calculates the net present value of an investment by using a discount rate and a series of future payments (negative values) and income (positive values).

Year	Net Cash Flow	Discounting Factors (Interest Rate = 7%)	Present Value
1	AED 34.9 million	0.9346	AED 32.618 million
2	AED 34.9 million	0.8734	AED 30.482 million
3	AED 34.9 million	0.8163	AED 28.488 million
4	AED 34.9 million	0.7629	AED 26.625 million
5	AED 34.9 million	0.7130	AED 24.884 million
6	AED 34.9 million	0.6663	AED 23.254 million
7	AED 34.9 million	0.6227	AED 21.732 million
8	AED 34.9 million	0.5820	AED 20.312 million
9	AED 34.9 million	0.5439	AED 18.982 million
10	AED 34.9 million	0.5083	AED 17.740 million
Total = AED 349 million			Total = AED 245.12 million
NPV = AED 245.12 million + AED 105 million (single cheque)			
NPV of total investment = AED 350 million			

This method considers the time value of money hence it is very realistic and practical.

From the investment appraisal using sensitivity analysis and NPV it is ideal for Petrofac to construct the Ajman Complex as even with the maximum assumed interest rates, discounting rates and profits this complex would cost lesser (AED 350 million) and yield maximum revenue of AED 908 million and satisfaction in comparison to purchasing 5 buildings in Sharjah (AED 360 million) or continuing with the present practice of paying each employee a distinct HRA (> 600 million) at a predicted HRA growth rate of 20% based on the secondary research from the Total HRA for last 5 years and the interviews with the HR Director and the Finance Manager. (Question No. 13 and 5 respectively).

3. Lewin's Force Field Analysis

The introduction of this change will cause certain change management problems in Petrofac which are indentified below. Thus the solutions for these problems are analysed below.



DRIVING FORCES

- Unceasing increase in the property rates over the last 5 years.
- Flexible, skilled and cost efficient construction labour which would help in cheaper and high quality construction. *(Refer to Appendix 4, Opportunities and Strengths)*
- Effective social life due to the availability of nearby shopping malls, theatres, entertainment parks and pubs which are not so easily available in Sharjah.
- Serenity of the location for a residential complex and the *low costs of acquiring land in Ajman.*¹⁵
- The constant petitions by the employees for increase in HRA or provision of better accommodation by Petrofac.
- Low amount of bureaucracy involved while investing in a plot of land and constructing. Ajman also offers the option of 100% freehold property law in the *Ajman Free Zone*¹⁶ in comparison to Sharjah where there is high level of bureaucracy and the leasehold property law of 99 years and which will reduce the time of control Petrofac could have over the property.

Change

Introduction of company provided accommodation in Ajman and diminution in the HRA's.

- Perceived loss of saving from removal of HRA as these allowances help them in making up to 20% savings.
- The hectic office schedule and inter-department conflicts would restrain the employees from staying in a complex with their colleagues as a community. *(Refer to Appendix 4, Weaknesses)*
- Lack of choice in terms of type of accommodation as the complex would be built keeping in mind the costs for the company and the needs of the employees on an average. Hence many will restrain this change.
- Ajman is located further away from Dubai than Sharjah hence people who travel to Dubai for outings or work will face a lot of traffic. It will also cause inconvenience to the spouses and children of the employee as travelling to school and work in Dubai or Sharjah would take longer time.
- Feeling of regimentation and control amongst employees as this decision would make the employees dependent on the company transport hence would lead to inflexibility.



RESTRAINING FORCES

Analysis of the force field model:

From the force field analysis model it would be feasible for Petrofac Sharjah to only develop upon few of the driving forces and few of the restraining forces due to the time factor, financial and other management factors. Petrofac can develop upon the following driving forces to make this project a success:

- The *property rates in Ajman are lower by 4 times than Dubai*¹⁵ hence Petrofac Sharjah should build on its driving forces by acquiring the land quickly and reducing their costs significantly with its large cash reserves.
- Petrofac Sharjah must also cater to the petitions for higher HRA's along with free accommodation by raising the HRA's which would help in employee motivation and retention.

Petrofac can also minimize the effect of the following restraining forces:

- Inconvenience that may be caused to spouse and children due to poor quality of public transportation and long time of travel from Ajman to Dubai where most schools and offices are located. Hence Petrofac can immediately cater to this and minimize its effects because of its huge cash reserves which are highly liquid for such investments by providing good quality transport facilities.
- Inter-department conflicts can be reduced by conducting separate meetings which may be time consuming but will provide supreme results as Petrofac's prime strength is its workforce.

¹⁵ <http://archive.gulfnews.com/articles/07/06/29/10135507.html>, Ajman property market, viewed on 14/11/07

CONCLUSION AND RECOMMENDATION

From the analysis made above using the various tools it can be concluded:

Conclusion:

In conclusion Petrofac should invest in its own residential buildings by investing in the Ajman Complex which would cost the company only AED 350 million and yield AED 908 million by 2018 if the property grew by 10% per year. This would also allow the employees to live in a community which was demanded by 68% of the surveyed employees.

By living in Ajman the employees would get the best of both, peaceful/relaxing life and a decent social life in comparison to the cramped up life in Dubai and Sharjah.

Recommendations:

- Provide 25% HRA along with the free accommodation for additional utility costs, greater savings, employee retention and motivation. (*Calculations done in the investment appraisal.*)
- The Ajman complex should be located in the *Ajman free Zone*¹⁶ to benefit from the 100% *freehold law*¹⁷.
- Provision of free shuttle transportation with *WI-FI connection and pre-installed PC's*¹⁸ to the employees, thus they would be able to save time and clock in from the moment they step in the transport vehicle.
- Provision of free transportation for the children and spouses to reduce the restraining force from transportation.
- Petrofac should allow the employees to make their decisions for themselves regarding the options provided.

¹⁶http://www.streetdirectory.com/travel_guide/64386/dubai_properties/property_in_ajman_the_next_uae_hotspot.html : Ajman free zone, viewed on 14/11/08

¹⁷<http://www.propertyworldme.com/content/html/1750.asp> : Freehold law, viewed on 20/11/08

¹⁸ Idea taken from: <http://www.coollest-gadgets.com/20081110/all-aboard-the-microsoft-mobile-office-bus/> : Microsoft Mobile Bus, 11/11/08

- Provide perks such as a *crèche for toddlers*¹⁹ in the complex in order to attract more employees.

Limitations of my research:

- The surveyed population does not represent the views of all those 500 people who would live in the complex, hence Petrofac would have to carry out a detailed full scale research to ensure a much more comprehensive analysis.
 - The property rates, interest rates and discounting rates are subject to fluctuation hence Petrofac would have to review the proposal in light of current financial trends in the UAE
 - The force field analysis may provide more subjective data rather than facts or evidence therefore Petrofac would have to brainstorm in meetings to determine the various other forces which would affect them.
-

¹⁹ A hospital where foundlings (infant children of unknown parents) are taken in and cared for. Both the parents of the child can work without any vexations regarding the safety and health concerns of their baby or child.

BIBLIOGRAPHY AND REFERENCES

Books

- Business and Management (IBID) – Author: Paul Hoang
- Business and Management – Dave Hall
- <http://www.triplelearning.co.uk> (online textbook)

Internet websites

- <http://archive.gulfnews.com/articles/07/06/29/10135507.html>

To understand Ajman Property Market, viewed 14/11/07

- http://www.articlealley.com/article_584274_33.html

Life in Ajman viewed, 17/11/08

- http://www.bayut.com/uae_sharjah_buildings/al_khan_building_for_sale_sharjah_near_al_qasbaa-369405.html

Availability of building in Al Khan, Sharjah, viewed 15/11/08

- http://www.streetdirectory.com/travel_guide/64386/dubai_properties/property_in_ajman_the_next_uae_hotspot.html

Ajman free zone, viewed on 14/11/08

- <http://www.propertyworldme.com/content/html/1750.asp>

Freehold law, viewed on 20/11/08

- <http://www.coolest-gadgets.com/20081110/all-aboard-the-microsoft-mobile-office-bus/>

Microsoft Mobile Bus, 11/11/08

- <http://emirateseconomist.blogspot.com/2006/05/annual-rate-of-growth-in-expat-labor.html>

Low cost labour in UAE, viewed on 13/11/08

- http://www.naturalhub.com/slweb/fading_of_the_oil_economy_price_spikes_political_instability_mid_east.htm

Instability in neighbouring countries, viewed on 6/11/08