

N°14-1 – January 2014

## Managing business in the Middle East: Unveiling diversity and complexity

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In my line of work, I meet many business leaders who are challenged by the complexities of how to manage business and teams in the Arab world. Anyone admitting to his or her frustration on the topic is often provided with explanations of corruption, backwardness, lazy staff and religious conservatism. During the extensive time I have spent working throughout the Arab countries in the Middle East, I too have faced enormous challenges, but more importantly, I have also been inspired by an energetic young workforce and genuine aspirations towards developing personal management styles and business ethics.

### Searching for patterns

Excited about the profitable business prospects in the growing Middle Eastern economies, many companies have learnt hard and costly lessons. Even managers with significant international experience come to realize that, when dealing with the Arab world, their management style and toolbox need significant adjustments in order to succeed.

When seeking information to increase their understanding of the Middle East, many companies are faced with huge knowledge gaps. There is very limited research around business, leadership, and organisational values in this diverse region; data from sources such as Hofstede and the GLOBE study are no longer relevant: their approach has been to cluster countries such as Egypt, Saudi, Arabia, Libya, and the UAE in order to paint a common portrait of Arab cultures. This however, does nothing to help people grasp what is today unique about each of these countries.

Although the interest in understanding the mindset of the different populations has increased, the range of new studies, such as those led by Silatech, Doha Debates and Zogby International, are either primarily focused on mapping the changing political landscape or aimed at stimulating entrepreneurship to combat some of the highest youth unemployment figures in the world.

Companies operating in the region therefore face an ongoing struggle to keep abreast of market data, knowledge of local employment laws and policies, an understanding of relationships with governing bodies, or recent research into business culture.

### Facing rapid change

The Middle East is a dynamic region, constantly and significantly transforming itself. Furthermore, in the Gulf States, companies are often dependent on an expatriate workforce, and a given organisation can employ up to 50 different nationalities. This eclectic, often much younger workforce, lends further complexity to the mix, not only in terms of cultural, ethnic, religious and linguistic backgrounds, but also in the form of challenges relating to high staff turnover, which, in turn, requires companies to continuously train and reinforce their vision, values and ways of working.

Struck by the differences, newcomers inevitably struggle to build corporate ways of thinking, team spirit and company loyalty. To do so, they need to develop an in-depth understanding of the strong bond and sense of belonging individuals have to their cultural group, and how this mirrors their way of building relationships with staff, customers and suppliers.

The fabric of all business in the region requires a deep understanding of key characteristics such as:

**Nationality, ethnicity and family:** things we tend to address with a totally opposite approach in Western diversity programmes. Suddenly, managers realise that these are core ingredients required to build regional mobility in a complex political environment, as well as creating trust and long-term business relations.

**Religion** in the Middle East is part of the societal fabric, whether one is a Muslim, Christian or Hindu. For Westerners, decades of aspiring to **freedom of religion** have moved us to a society very much flavoured by **freedom FROM religion**, and it can be daunting to see the way religion plays an integral part in HR policies and daily life: key components for individuals' inspiration, answers to problems, ways of solving issues and relationships.

## **Managing business in the Middle East: Unveiling diversity and complexity** *(continued)*

**Gender roles** generate most questions from newcomers to the region, with worries about the do's and don'ts in cross-gender relations. The good news is that as leaders' knowledge and confidence increase, gender issues prove to be less of a problem.

**Age difference** often creates the most frustration: the average age of staff in European organisations is sometimes 10 years higher than in the Middle East; a parameter that, without any doubt, has an impact on experience and decision-making processes as well as curiosity and innovation levels.

### **Regularly assessing culture**

Over and above standard cross-cultural training, we at Managing Worldwide are therefore faced with enormous needs to find alternative sources to increase understanding and even to conduct regular cultural assessments in organisations that can be linked to our customer and their employee satisfaction surveys. We endeavour to help them measure progress and fine-tune improvement activities. Assessment is one way to gain more tangible data as input to dialogue with an often critical, energetic and much younger workforce.

Regular cultural assessments are not frequently used, but can be of great help for organisations to:

- maintain, reinforce and adjust corporate values as company strategies change
- evaluate and select business partners (mergers & acquisitions or outsourcing arrangements)
- secure global standards and promote global brands
- outline processes to define the desired management style
- search for, select, develop managers or address special topics such as nationalisation of the local workforce in the Gulf
- optimise mobility of resources and quickly enable expatriates to adapt to new situations

There are a number of these tools on the market in the West, however, none in Arabic and they do not always capture values of identity and belonging, which are desirable to unveil groupings and solidarity. Identity is not only a strong characteristic of the Arab culture, it is also symptomatic of the multicultural expatriate environment and of culture strongly influenced by religion. Some well-known Western organisational development tools have even provided totally unexpected results when used in the Arab cultural context, due to the combination of a strong hierarchical structure and a robust consensus-driven, decision-making process.

Having had extensive experience with cultural assessment tools, I embarked on a journey to adapt, translate and finally develop an Arabic/English assessment tool to support national, organisational, cross-cultural and individual assessment programmes. Furthermore, by including a simple data-capturing process, together with value assessment, it became so much easier for multinationals to address the rapid changes they face.

The tool is now being rolled out in selected countries in the Middle East on a national level, thus revealing very interesting results. A first study has been published on Egypt. The tool is also being used in organisational improvement programmes in order to support clients' work on developing stronger company culture, ways of working, leadership development and increased employee loyalty.

With this, we wish you a **Happy New Year!**

### **Mini bio: Viveka Anderton**

**Viveka Anderton** is a Swedish management consultant, facilitator, trainer and researcher. She delivers tailored, complex business transformation programmes with focus on the Middle East, developing leaders, reshaping organisations, building and promoting a performance-driven culture.

She divides her time between South England and Cairo and takes on board assignments in most Middle Eastern countries. Viveka has a passion for the Middle East and has extensive experience from the whole region - having also lived in the UAE, Oman, Kuwait and Egypt. Her interest has led her to add Middle Eastern & North African Studies, Social Anthropology and Arabic to her profile. Her portfolio has been further complemented by inter-cultural training and cross-cultural conflict management courses. Viveka is currently conducting research into management and organisational values in the Middle East at Stockholm University.

