CROSS-CULTURAL BUSINESS COMMUNICATION IN THE MIDDLE EAST

The Cultural Dimension

First East Invest

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How to deal effectively with Middle Eastern Businessmen/Businesswomen:
The Cross-Culture Dimension:

I - Middle Eastern Business Culture:

- Understanding the Middle East’s Reality versus its Perception: the A, B, Cs of effective communication
- Business Referrals / Introduction: ... is the short-cut of doing business,
- Business is Personnel: ... They don’t do business with companies... no matter how big or important... Instead, they do business with “people”
- Time is NOT of the Essence: ... Never rush progress, or anything for that matter
- Selecting a Local Partner: It is all about building “social” relationships
- Arab Gulf Markets can be Difficult to Penetrate: ... but it is worth it

II - Middle Eastern Business Etiquettes:

- Respecting the Local Language
- Dealing with Gender
- Body Language: dos and don’ts
- Religion and Culture
- Turn-offs and/or Rude Moves
I - Middle Eastern Business Culture
Understanding the Middle East’s Reality verses its Perception:

- The Middle East is an area which carries many stereotypes and myths. Before doing business in the Middle East it is imperative to learn about areas such as business culture, business etiquette, meeting protocol and negotiation techniques. Through such knowledge stereotypes are broken and barriers to communication reduced.

- The Middle East is often perceived as particularly corrupt, even as some countries work to combat graft. According to Transparency International’s annual Corruption Perceptions Index (“CPI”), many Middle Eastern nations are perceived to be rife with corruption. In particular, Algeria, Egypt, Lebanon, Libya, Yemen, Iran, Syria and Iraq fall within the bottom half of all countries scored. Countries higher up the scale don’t fare much better: Kuwait is seen as corrupt as Georgia, and Saudi Arabia and Italy are seen as comparable. In fact, the only Middle Eastern countries in the top quarter of countries surveyed were Qatar, the United Arab Emirates and Oman.

- Perceptions aside, other aspects of Middle Eastern countries create a heightened risk of corruption, including: authoritarian regimes, monarchies and state-owned or controlled entities. The authoritarian rule often found in these countries translates to a lack of visibility and accountability for those governments. Despite some countries having visibly tried to fight corruption, numerous recent government FCPA (Foreign Corrupt Practices Act) enforcement actions have touched this region. Reviewing these actions provides insight on how FCPA issues often manifest.
It is NOT What you Know, It is Whom you Know:

- The traditional Islamic greeting you will hear is 'Asalamu alaykum' (peace be with you). As a non-Muslim you would not be expected to use it, but if you did you would receive the reply 'wa alaykum salam' (and peace be with you).

- When doing business in the Middle East, handshakes are always used and can last a long time. Islamic etiquette recommends that one waits for the other to withdraw their hand first before doing the same.
Many Westerners that have lived or worked in the Middle East might use the words chaotic, disorganized and frustrating when discussing doing business there. Although this is a matter of perception, it is true that business runs on very different tracks to business in the West.

The Arabs do not separate professional and personal life. Doing business revolves much more around personal relationships, family ties, trust and honor. There is a tendency to prioritize personal matters above all else. It is therefore crucial that business relationships are built on mutual friendship and trust.

Small talk is more than just a courtesy; it is a way of finding out whether you would be a suitable business partner. Engage in conversation freely and enthusiastically, and have a few stories in your back pocket to break the ice.

The best way to communicate is always face to face. If this isn’t possible, make a phone call. The written word is considered less personal and less important, and you could find your letters and e-mails go unanswered for some time if you don’t at least follow up by phone. This is certainly the case with email. Some countries, like Saudi Arabia, don’t really do serious business by phone with Westerners, so a personal visit is your only option.
Time is Not of the Essence:

- Decisions can take a long time, probably longer than you’re used to. Don’t be impatient, as this will reflect poorly on your character. Be flexible and prepared to accommodate shifting schedules. In fact, patience is the most valuable virtue you can demonstrate throughout your business and social life living and working in the Gulf. You can learn to demonstrate this most precious quality in the most frustrating of business situations, you will surely reap the rewards.
Selecting a Local Partner:

- Gulf Arabs are charming to the core. The idea of signing a strategic partnership or Memorandum of Understanding (MOU), which is a regional favorite, with a foreign company is very appealing, and thus several less reputable Gulf-based companies will readily agree to become your local partner without necessarily thinking about your expectations of them and the drive to help and support you sell your products and services. Whilst there are several benefits to working with local partners and it is in fact compulsory in many places, do not rely on being flooded with leads and new orders. Local partners can be difficult to manage and generally high maintenance.
Arab Gulf Markets can be Difficult to Penetrate:

- If you don’t have a business associate or influential friend who can help you find a way into a prospective customer, consider hiring a professional intermediary with clout to save you time, money and frustration in identifying and reaching the real decision makers you want to target. If you can contact one of your prospect’s existing suppliers/vendors or an individual they have done business with in the past, form a ‘sales taskforce’ in order to clinch a deal and avoid bottlenecks, so much the better. Teaming up with experienced, local business people and firms to close a big deal makes a lot of sense.
II - Middle Eastern Business Etiquettes
Respecting the Local Language: A few Arabic Greetings Will Do:

- Gulf Arabs are exceptionally proud of their language, which is a strong, uniting bond right across the Arab world. Learning at least a few words of Arabic is an easy way to demonstrate that a relationship is personally important to you rather than just another business deal. Your effort will be greatly appreciated.

- Remember, in all publications Arabic is written right-to-left.

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Dealing with Gender

- The roles of men and women are far more defined in the Arab culture. Interaction between the sexes is still frowned upon in certain arenas. However, when doing business in the Middle East it is not uncommon to come across women.

- If you are introduced to a woman as a male, it is advisable to wait and see if a hand is extended. If it is not, then do not try to shake hands. Avoid touching and prolonged eye contact with women.
Body language is just as important as the spoken word. Your opposite number may be telling you with a raised eyebrow, reclined posture or tone of voice that it’s time to change tack. Your instinct will usually be enough to guide you provided you’re on the lookout for non-verbal signals.
Religion and Culture:

Prayer time Observations, Fasting, etc..A How to Guide;

- One cannot talk about the Middle East in a cultural sense without mentioning Islam. Islam permeates all levels of society. It provides guidance, values and rules for personal life, community relations and ways of doing business.

- There are two major festivals of note. Eid al-Fitr follows Ramadan and Eid al-Adha follows the annual pilgrimage. These holidays last approximately three days although it is not uncommon for the government to extend these. It is best to avoid doing business on or near the two Eids.

- Green is associated with Islam. Certain combinations of patterns and colors can be associated with particular tribes. Treat the flag of Saudi Arabia extremely carefully: it has the name of Allah on it! Never put the flag on a promotional item. (Whenever Saudi Arabia’s soccer team is a finalist in the World Cup, someone manufactures a soccer ball decorated with the flags of all participating nations—including Saudi Arabia’s flag. The insult is exacerbated because players kick the name of Allah with their feet!)
Do not eat or drink in front of Muslims during Ramadan. They are fasting.

Do not use your left hand—particularly when eating. It is considered unclean in parts of the Middle East.

Never cross your legs and display the sole of your foot towards someone.

Orthodox Muslims do not eat pork, drink alcohol, or discuss the female members of their family.

Friday is the Muslim Holy Day; workweeks may run Saturday through Wednesday.

Never interrupt Muslims at prayer, a religious practice they perform five times a day.

Daily routines, appointments and meetings must be fitted in appropriately around prayer times. Friday is the day for congregational prayers and it is obligatory for all males to attend.

Many Middle Easterners are also exceedingly generous, and their hospitality is legendary. Never admire an item too intensely—they will often present it to you as a gift.
These are just general guidelines for the region as a whole, and you should do your homework and find out more about the culture and the etiquette of the specific area you’re travelling to before you head out on business. ACIũ.
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