

Doing Business in the Middle East

Essential cultural knowledge

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Overview

'In downtown Riyadh a woman in a black Abayya sits waiting for Harvey Nichols to open in the eShopping Mall. On the edge of town at the edge of the desert a herder tries to harness a disagreeable camel. Welcome to 21st century Saudi Arabia.'

The Middle East stretches from the Mediterranean Sea, South to the Persian Gulf and East to Iran. It comprises the North African Countries of Mauritania, Algeria, Morocco and Libya, as well as, some would say, Egypt, the Middle Eastern countries of Israel, Jordan, Lebanon, Iraq and Syria, the Arabian Gulf states of Saudi, the Emirates, Yemen and Iran and Turkey.

Although, like Europe, it combines many races and religious groups, it is dominated by one race, one language and one religion.

- The Arabs
- Arabic
- Islam

It is essential to understand the impact of these on business and on social life to build successful; business in the Middle East.

The Middle East Countries, capitals and population

NORTH AFRICA

| Country | Capital | Population | GDP per head 2006 |
|----------------|------------|------------|-------------------|
| Mauritania | Nouakchott | 2.9m | \$1,800 |
| Western Sahara | El Aaiun | | |
| Morocco | Rabat | 30.6 m | \$3,950 |
| Algeria | Algiers | 31.8 m | \$5,930 |
| Tunisia | Tunis | 9.8m | \$6,850 |
| Libya | Tripoli | 5.6 m | \$9,910 |
| Egypt | Cairo | 71.9 m | \$3,940 |

MIDDLE EAST

| Country | Capital | Population | GDP per head 2006 |
|---------|-----------|------------|-------------------|
| Israel | Jerusalem | 6.4 m | \$18,440 |
| Jordan | Amman | 5.5 m | \$4,290 |
| Lebanon | Beirut | 3.7 m | \$4,480 |
| Iraq | Baghdad | 25.2 m | \$2,230 |
| Syria | Damascus | 17.8 m | \$3,430 |
| Iran | Teheran | 68.9 m | \$7,000 |
| Turkey | Ankara | 71.3 m | \$6,710 |
| Yemen | Sana'a | 20 m | \$820 |

| | | | |
|--------------------|---------------------|--------|--------------------|
| West Bank and Gaza | Ramallah/ Jerusalem | 3.6 | \$1,110 (estimate) |
| UAE | Various | 3 m | \$20,920 |
| Saudi | Riyadh | 24.2 m | \$13,230 |
| Qatar | Doha | 0.6 m | \$23,200 |
| Oman | Muscat | 2.9 m | \$13,000 |
| Kuwait | Kuwait City | 2.5 m | \$19,480 |
| Bahrain | Manama | 0.7 m | \$16,180 |



Middle East: Values and Attitudes

Islam:

A total way of life, governing both church and state, based on the holy Qur'an (Koran) and the sayings of the Prophet Mohamed. Islam is also dominant in The northern part of sub-Saharan Africa (Northern Nigeria, the Sahel region, Somalia and Eritrea.

God revealed Islam to the Prophet Mohamed in AD 610 in the city of Mecca (Mohamed then migrated in 622 to the city of Medina) After the death of the Prophet Mohamed, in 632 Islam spread throughout Arabia and North Africa to Spain and to India in the East over 100 years and remains the defining cultural influence.

The four principal tenets of Islam are:

- 1 Faith in the absolute unity of Allah
- 2 Belief in the Angels as messengers of Allah
- 3 Belief in prophetic messengers (including Jesus, the old testament and Muhammad, peace and blessings be upon him.)
- 4 Belief in the final judgement which will reward the faithful.

These tenets are expressed in the five pillars of Islam,

The five pillars of Islam

| Belief in Allah | Prayers | Fasting | Zakat | Hajj |
|---|--|---|---|-------------------------------|
| Allah. Jesus is seen as a prophet, not as God. Mohamed is the messenger of Allah. | Five times a day Fajr – dawn Zihr- noon Asr – afternoon Dusk – Maghrib Night – Isha Holy day is Friday | Ramadan ended by Eid. Lunar month. Two feasts: Eid el Fitr Eid el Kebir | Each Muslim should give 2.5% of income to help the less well off. | Pilgrimage Hajji El Haj |

and laid out in the holy Qu'ran (Koran) , the word of God as revealed to the Prophet Muhammad and through the sayings of the prophet, known as Hadith.

The key sects of Islam

Like Christianity Islam divides into a number of tendencies of sects, reflecting different loyalties and styles of belief.

The major divisions are:

Sunni and Shi'a

Islam divided into two major sects Sunnis and Shias. Sunnis are traditionally the partisans of the original companions of the Prophet (Khalifas). Four of these became the original Caliphs on the death of Mohamed in 632. Shi'ites come from the 'partisans of Ali (Shi'at Ali). Ali ibn Abi Talib was a cousin and son in law of the Prophet, assassinated around 680 AD after he had claimed succession to the Prophet on the grounds of being an early convert to Islam.

The two sects have developed slightly different beliefs and practices (a little like the variations of Protestantism and Roman Catholicism) but unlike Roman Catholicism and Protestantism which caused major wars in Europe from the 16th century on, the Sunni/ Shi'a conflict is causing conflict in the Middle East right now. Some countries have Shi'a majorities and some have Sunni majorities.

Major differences are:

| | Sunnah | Shia (or Shi'ah) |
|-------------------------------------|---|--|
| adherents called | Sunnis | Shiites, Shi'i |
| meaning of name | "well-trodden path" or "tradition" | "party" or "partisans" of Ali |
| current adherents | 940 million | 120 million |
| percentage of total Muslims | 90% | 10% |
| primary locations | most Muslim countries, Inc. Saudi | Iran, Iraq, Yemen |
| subjects | none, but four major schools of Muslim law are recognized | Ithna 'Ashariyah (Twelvers; the largest), Isma'iliyah and Zaydiyah |
| origins | c. 632 CE; theology developed especially in 10th cent. | c. 632-650 CE; killing of Ali's son Husayn in 680 CE is major event |
| did Muhammad designate a successor? | no | yes |
| true successor of the Prophet | Abu Bakr, father of the Prophet's favoured wife, 'A'ishah (elected by people of Medina) | 'Ali ibn Abi Talib, husband of the Prophet's daughter Fatimah (designated by |

| | | |
|---|--|--|
| | | the Prophet) |
| qualifications for ruler of Islam | tribe of the Prophet (Quraysh); later, any qualified ruler | family of the Prophet |
| current leaders | imams | mujtahids |
| identity of imams | human leaders | infallible manifestations of God and perfect interpreters of the Qur'an |
| the "hidden imam" | doctrine rejected | works through mujtahids to interpret Qur'an; will return at the end of time |
| religious authority other than the Qu'ran | ijma' (consensus) of the Muslim community | infallible imams |
| concealing faith for self-protection (taqiya) | affirmed under certain circumstances | emphasized |
| temporary marriage (mut'ah) | practiced in the Prophet's time, but now rejected | still practiced |
| holy cities | Mecca , Medina , Jerusalem | Mecca , Medina , Jerusalem , Najaf , Karbala |
| major holidays | Eid al-Adha , Eid al-Fitr | Eid al-Adha , Eid al-Fitr , Ashura |

Wahhabi

In the 18th century Islam was revived by a more puritanical prophet, Mohammed Abdul Wahhab, who founded the Wahhabi sect centred on Saudi. The strict interpretation of Islam that you find in Riyadh comes from the Wahhabi sect.

Fundamentalist and moderate Islam.

In recent years there has been a political struggle in the Middle East between those who wish to re-establish an international Muslim Caliphate under the rule of strict Shari'a law and those who prefer a moderate Islam, in which the

state does not impose Shari'a law on its citizens. This is a major cause of internal instability and external threat.

NOTE

The Islamic calendar starts from 622 A.D. The year is based upon lunar cycles and is about 354 days long. Each month starts with a new moon. This also means that every year the date of Ramadan advances.

2 Islamic values

Unlike some religions, Islam cannot be separated from everyday life. It is a total way of life. The West generally separates Church and State. Most Islamic countries do not and religion strongly influences social behaviours, politics and even business. The Qur'an (Koran) is Islam's holy book. It provides a complete guide on marriage, divorce, bringing up children, inheritance, justice and even business conduct. To a Muslim, nothing is left out.

What it means for you.

You are dealing with a strongly religious community, in which religion is not just for individuals (although there are strict and less strict Muslims, as in other religions). Life is defined by religion in a way you do not find in non-Muslim countries.

2 The five 'pillars' of Islam

1 BELIEF IN GOD (ALLAH)

Allah, is the same God who is worshipped by Jews and Christians. Muslims also believe in Jesus, but they believe that Jesus was the last of the prophets before Mohamed. (i.e. not divine) Belief in Allah is affirmed by the statement, 'I bear witness that there is no God but Allah and I bear witness that Mohamed is the messenger of Allah.'

2 PRAYERS

Five times a day, at dawn (Fajr), noon (Zihr), afternoon (Asr), dusk (Maghrib) and after dark (Isha), a Muslim must stop whatever he is doing to pray. He prays kneeling and touching the ground with his forehead in submission to Allah, facing the direction of the Kaa'ba (The tomb of Mohamed) in the holy city of Mecca. Touching a woman is considered an unclean act for which he must ritually cleanse himself before he can pray. The holy day of the Muslim week is Friday.

What it means for you.

People will stop and absent themselves for a few minutes at various times in the working day. Companies have special prayer rooms, for the daily prayers. Since the holy day is Friday, Saturday and Sunday are considered normal

working days, which is sometimes disconcerting for Christians and Jews at first, who are used to having them as free days.

3 FASTING

During Ramadan, Muslims fast from dawn to dusk. Anyone who is not ill is expected to fast and adults who miss a day of fasting during Ramadan are expected to make up the time later. During Ramadan people exchange gifts and spend much of the evening visiting with friends and family.

What it means for you

Productivity and energy maybe less during Ramadan as people are weaker in the afternoon and tend to stay up later at night for eating and entertaining.

4 ZAKAT

Giving alms to the poor. Each Muslim surrenders 2.5% of his wealth and property on an annual basis in order to help those less fortunate than himself.

5 HAJJ

Every Muslim who can afford the expense must make the pilgrimage to Mecca at least once in his lifetime. The pilgrim is called a Hajji.

Remember!.

- *It is not polite to stare at people praying.*
- *In Saudi Arabia the shops and businesses close but seldom do so in the UAE.*
- *The time of the prayers varies each day corresponding to the solar cycle.*
- *Meetings may be suspended for prayer to take place.*
- *During Ramadan it is not polite to eat, smoke or drink within sight of a fasting Muslim. Ramadan lasts a lunar month. During Ramadan evenings become more social. Ramadan ends with the Eid holiday.*

3 Honour and saving face

Honour and reputation are of huge importance in Islamic societies. Arab culture is non-confrontational and seeks the least conflict possible. Saving face is a way to solve conflicts and avoid embarrassing or discomforting the parties involved. It involves using manoeuvres or holding one's reactions to give the other party a way to exit the situation with minimal discomfort or harm to their dignity. It also involves compromise, patience and sometimes looking the other way to allow things time to get back to normal. The 'save face' concept is looked upon as behaviour of high quality and manners. Arab culture encourages people to act humbly and with sensitivity to a person's dignity, especially when that person's dignity and self respect is endangered.

Arab culture stresses the importance of honouring guests and pampering them. The host will try his best to ensure that his guests are comfortable.

Remember!.

Any suggestion that guests are not honoured or respected may be construed as a sign of disrespect. Acting in ways that enable individuals to save face is an important part of helping them to retain dignity.

4 The importance of family and relationships

There are two connected themes that can help explain the enormous importance of family in Islamic culture.

Firstly, at the heart of Islamic culture is an understanding that one's life mission and meaning is to be unselfish, unattached to the material life, and devoted to family. The culture encourages people to have sincere enjoyment in serving and helping others. The true reward Muslims seek is to be loved, appreciated and considered reputable by all. Being generous, honest, respectful and loyal are the values one is encouraged to live by.

Secondly, the tribe (or series of interconnected families) has been the building block of Gulf societies since Arabs moved into the region in the first millennium BC. Each family within a tribe was traditionally bound by obligations of mutual assistance to his immediate relatives and to the tribe as a whole. Among the tribe, an individual's selfless hospitality was the source of his honour and pride. Having a common religion, Islam, also provided the cement which held the people together.

Relationship ties in Arab countries are still very strong and one's family includes not only his immediate relatives but extends to distant relatives, tribe members, friends and neighbours.

Wealthier families may have large numbers of staff including maids, nannies, drivers and gardeners. These are not considered part of the family and are not accorded the same respect.

Remember!

- *In the West the individual is the basic social unit. In the Gulf it is the family.*
- *It is important for an Arab to maintain close and priority links with family and close friends who may be permitted to interrupt meetings and phone calls may be accepted at times when you are expecting privacy and one to one meetings.*
- *Once again family relationships and business relationships are not kept separate in the way that they are in the West.*

5 Gender and age

In an Arab family gender and age play a large part in specifying responsibilities. The father is usually the head of the family and the main provider of its needs while the mother plays a major role in raising children and taking care of the house.

Sons and daughters are taught to follow inherited traditions and responsibilities that correspond with age and gender. Sons are taught to be protectors of their sisters inside and outside the house, while daughters are taught to be the source of love and emotional support in the family.

Although culture, traditions and Islam support the importance of the woman's role in taking care of the house and raising children, it doesn't mean that Arab women are confined to this role.

Remember!

- *In some parts of the region men and women who are not blood relatives don't mix.*
- *It may be normal to see an Arab's wife in Western dress in Europe or the US but for her to be secluded when you visit Arabia.*
- *Shaking hands with a member of the opposite sex may be embarrassing, although Arab men and women have no problems shaking hands with Western women, (although men may shake your hand by a mere touching of the fingers) you should be a little sensitive, as a man, as to whether a Muslim woman will be embarrassed by you offering your hand to them.*
- *Remember that hugging and kissing Muslim women is not done.*
- *As a woman executive, men will recognise your status. If in doubt make sure your business card leaves no doubt as to your status and make sure your colleagues give you the right support.*

6 Attitudes to time

In Arab cultures everyone has a network of responsibilities far wider than ours, to family, relatives and friends. Because of that, schedules are frequently re-arranged to attend to unexpected family or social duty. This doesn't mean that previous appointments aren't respected but that other things became more important at the time. Interruptions and phone calls are common. Taking calls and receiving visitors reflect priorities and should not be seen as rudeness.

The Arab word 'Inshallah' (God willing) is an expression of recognition of man's finite ability in the face of god, not an avoidance of commitment. An appropriate response is 'Inshallah'.

Remember!

- *Failure to keep appointments on time is not a lack of respect. Simply a reflection of alternative priorities.*
- *If you have to keep to a fixed time it is necessary to be more explicit about your reasons than you might be otherwise.*
- *However, be careful, as over time consciousness may be seen as rude and aggressive.*
- *It is important not to be put out by being kept waiting, being interrupted or finding your meeting interrupted by phone calls or visits. Disruptive as it may be it is not a lack of respect to you.*

7 Language

Arabic is the language of the Gulf. It is a complex and historic language, which can be characterised by emphatic and over-exaggerated speaking style to Western ears. A typical Arab greeting on the birth of a new baby.

'Yetrabba be Ezzekum, Waa Allah Yajaluhoh Nin El Thorriah Al Salehah'.
'May he/she (the new baby) be raised in your hand. May God make him/her a good son/daughter.'

This expressive style of language as natural to Arabic speakers as is the more concise (direct, blunt) style used in the West.

What it means for you.

- *Arguments and disagreements may be expressed using a more complex style and range of expression than just 'yes' or 'no'.*
- *As a result a simple 'yes' or 'no' without confirmation may be seen as 'perhaps'.*
- *What may seem as a simple assertion of fact to an Arab may be seen as an exaggeration by you.*
- *Because short vowels in Arabic are not written, translating from Arabic to other alphabets is not an exact science. Arabic names may be spelled in different ways in English.*
- *When coming to agreement westerners mainly respond to logical arguments. Arabic native speakers may react better to personalised argument, appeals and persistent persuasion.*

8 The changing Middle East

A number of things have changed the way Arabs in the Gulf see themselves and the West. Many Arabs, especially in the Gulf, have high standards of living and lifestyles and remain very committed to the West although there is some wariness about how to preserve Arab values and aspects of the Arab way of life. The differences, as in other countries, are the influence of multinationals, demanding a particular way of doing business, the influence of migrant workers, generational changes with younger Gulf Arabs working and studying (particularly business degrees) in the US and UK, and the demands of women, exerting power in business. All these factors are liberalising and making life in the Gulf more international and minimising differences between the Gulf and the leading capitals of the world.

The Middle East and the West Contrasting attitudes and values

Lewis 2003 offers this list of contrasting Arab/ Western values.

| The Arab World | The West |
|---|---|
| Once led the world. Will lead again. | In decline. Propped up by oil revenues |
| Church and state are one or very close. | Separates Church and State. |
| The family is the basic social unit. | The individual; s the basic social unit. |
| Class is the basis of status. | Achievement is the basis of status. |
| Honour vs facts. | Cold facts decide. |
| Just but flexible is the watchword. | Fairness is the watchword. |
| Belief in individuals (guided by God) | Belief in organisations and institutions. |
| Adapt modern behaviour to traditional values. | Modernise. |
| Men and women separate roles. | Men and women equal roles. |
| Western societies have different world views. | Arab societies have one world view (with national modifications.) |
| Travel a lot. | Travel less. |
| Integrity matters. | Rationality matters. |
| Piety is respected. Protection of the weak is important. | Strength is respected. |
| Friends cannot refuse your request nor you theirs. | Friends are company. |
| Talk about family etc. | Restrict personal information. |
| Personal relations used to progress business. | Official channels used to progress business. |
| Regular praise. | Praise for specially good work. |
| Personal arguments, persuasion and appeals persuade. | Logical conclusions persuade. |
| Stand or sit closer 'Breathe' on their companion'. | Prefer greater distance but varies with country. |
| Less private. | More private. |
| Men and women mingle less freely. | Men and women mingle more freely. |
| Hospitality very important. | Hospitality less important. |
| Time is relaxed. | Time is important (varying with society.) |
| Arranged marriages and love matches. | Prefer love matches. |
| Pork is taboo. | Pork is OK. |

2 The Middle East: Business etiquette

1 Legal System

The Islamic legal system is Shariah (the path) based upon the Koran - the word of Allah (God) - as well as other religious sources. Main sections: criminal, business transactions, family, divorce and succession and distribution of wealth as Zakat and inheritance.

Remember!

- *Non-Muslim westerners will probably have little exposure to the Shariah law.*
- *Modern civil law deals with corporate, financial and contractual matters.*
- *Matters involving injury, death, drugs or alcohol are treated seriously.*
- *Ensure you get good local legal advice and contact the Consulate/Embassy.*
- *Islamic financial institutions cannot charge interest on loans. They may charge a commission instead.*

2 Business law

Local law may require that companies have a national participant holding the majority of shares with a few exceptions. Foreign nationals may have to choose a local agent (or sponsor) and sign a service agency agreement. Trade unions do not exist and strikes are illegal. Copyright and trademark laws are applied.

3 Roles and Responsibilities of Local Partner

To obtain necessary licences, visas and work permits

To agree on percentage of annual net profit

The local partner's signature will be required for most official purposes

The local partner does not have responsibility for investment or losses

For pure contracting companies commission is fixed:

Otherwise the commission is typically a lump sum or a percentage of turnover.

Remember!.

- *Choosing a local agent or sponsor is the most important decision in doing business in the Gulf. Careful attention should be paid to this as extracting from an agreement can be problematic.*

4 Documentation

Legal documents must always be prepared in Arabic. Selecting your own translator is advisable. There are several formalities about contracts and local legal advice should be sought before concluding a contract. Business documents should summarise the main points in Arabic. Most Gulf business people speak and read good English but appreciate having the core elements in their own language.

Remember!.

- *Good presentational material is welcomed.*
- *Your business cards should have English on one side and Arabic on the other.*
- *If you are using any slogans or images in your publicity material (especially Arabic signs or symbols) make sure they cannot cause offence to Islam.*
- *You need a lawyer who is familiar with Arabic and the Arabic world.*
- *Choose your own translator.*

5 Working relationships

The Arab world does business on relationships. Time spent in 'small talk', drinking tea or having meals is never wasted. If visiting an Arab host, be prepared to wait (take your laptop) and for them to introduce the business discussion.

6 Meeting and Greeting

A soft handshake and strong direct eye contact. Arabs of the same sex sit closer to each other than foreigners. Try not to move away. It signals coldness. Arabs touch each other as a sign of confidence. This varies among different Arab states. Take your lead from the people around you.

Remember!

- *Only use your right hand when eating or passing something to an Arab. If the item is heavy, use your left hand in support.*
- *Never show the soles of your feet or point your foot at an Arab. This is easy to do when crossing your legs so be careful.*
- *When exchanging business cards, use the right hand.*

7 Dress code

Conservative suit and tie. High quality accessories are important.

Remember!

- *Some Arabs will judge you by how well you dress.*

8 Forms of address

Arabs have three names. Address him by the first with Mr. E.g. Bennis Abdullah el Essalam is Mr Bennis. You may be addressed by your first name with Mr or Mrs.

9 Status and gender

Social class and background tends to determine an Arab's status. Many Arabs, especially Saudis, are not used to dealing with women in business. As a woman, use four strategies –

- Lead with your business card. Make sure your card states your position in the company at the highest level possible.
- Get an older high ranking male to introduce you.
- Establish professional and technical credentials to gain respect.
- Ensure your team supports you and defers to you if Arabs prefer to refer to them first.

10 Exchanging favours

The exchange of favours is an important part of building relationships in business. If a favour is asked never say no. If later you are unable to fulfil, it will be understood. It is appreciated that you tried to help.

3 The Middle East: Communication

1 Business is personal

Family is of fundamental importance to Arabs. Trusted friends are given the next priority for business. Do not pretend to be a friend with someone you don't know very well. Westerners are respected as visitors to the country. Being based in the Gulf is a great advantage. Ensure you have a suitable senior business title. Ensure that you have the power to negotiate business. Business and pleasure are often mixed. This can cause problems if payments fall behind and friendship is called upon. An agreement has an ethical as well as a legal significance.

2 Communication style

The Arab belief in hospitality means that greetings take time. Personal questions are a sincere way of showing interest and showing the guest he/she is important. Sometimes, this can become too personal. Arabs are approachable, friendly and humorous but they themselves like to keep family and spousal issues private and reference to sex is offensive. Arabs keep criticism private. In the Arab world, criticism is delivered through a third party to protect the dignity and face of the individual and to ensure criticism will be received constructively.

What it means for you.

- *To avoid confrontation, euphemisms may be used to downplay unpleasant facts.*
- *It is important to avoid sexual jokes, discussions and innuendo in mixed company.*
- *As in Britain, 'Yes' can often mean 'Possibly'. Periods of silence do not need to be interrupted.*

3 Body language

Handshakes are soft. Hands may be held longer than in the West. Arabs make direct eye contact but prolonged eye contact is seen as aggressive. Kissing in public is discouraged. Public affection between spouses is rare. Beckoning is done palm down with whole hand. Holding right hand out palm upwards with all fingers and thumb touching may indicate 'Be patient'. Don't do 'thumbs up' It can be misinterpreted. Nodding and shaking the head to indicate 'yes' and 'no' may seem exaggerated to an Arab. Eating is done with the right hand. Holding hands with someone of the same sex is normal. Greeting visitors while sitting down is impolite and rude. Sitting with the soles of your feet facing someone else is rude. It is not done to open presents in front of the giver. Standing or sitting, Arabs will always try to

avoid turning their back on anyone as a sign of respect. Arabs stand or sit closer to you than you are used to in the West.

Do's

- Vary your tone of voice.
- Offer praise when it is due.
- Learn when to be formal and when to be informal.
- Show a strong personal interest in the people you meet.
- Enquire regularly after male family members' health (not female members).
- Show an interest in Islam.
- Be expressive and confident.
- Speak loudly and confidently to express your sincerity.

5 The Middle East: Leadership and decision making

Management style

Arab management is very top down. Management style may be didactic. Raised voices may be to express feeling and exhortation, not anger. Remember that in systems that depend on relations with the royal family – sons, nephews and brothers hold key positions. Family ties extend into business.

6 The Middle East: Teams, motivation and feedback

Motivation

Personal loyalty and commitment is important in building motivation. Lewis (2003) emphasises the importance of the following to raise motivation.

- Showing interest in the Islamic religion and Islamic history.
- Showing respect.
- Showing sincerity and honesty
- Being more extrovert.
- Being very personal
- Offering friendship as well as business opportunities
- Reciprocate favours
- Accept gifts
- Always impute the best motives.
- Bargain in a friendly manner
- Always appear just.
- Show kindness, compassion and moral integrity.
- Speak confidently, without hesitation.
- Minimise importance of punctuality.

Remember to avoid these.

- reluctance to accept favours.
- Saying anything that could be insulting or derogatory.
- Questioning Islamic taboos.
- Discuss Israel or Iraq.
- Express a wish to be left alone.

Teams

Arab teams work best under clear direction from a charismatic direct leader. They need clear orders and instructions with clear deliverables to which they can bring their own creativity. If there is vagueness in team leadership the team will fragment as it remains a group of individuals giving loyalty to its leader.

To get and maintain that loyalty the team leader must show personal interest in team members and their lives and be prepared to listen to professional and personal problems.

Feedback

Saving face to preserve personal honour and dignity is important in the Arab world so you may find that bad news or negative feedback is delivered through a third party. If it is delivered personally it may be done indirectly or by telling an anecdote which is impersonal but the lessons of which are supposed to apply to you. This means it can sometimes be difficult to know

that an agreement or proposal has been rejected.

9 The Middle East: Meetings and negotiations

Meetings style

Be punctual but be patient if you have to wait. Allow time for passing through security at the entrance. Allow time for traffic delays. Dress respectably in smart business suits. Women should dress formally e.g. trouser-suits (In Saudi ankles and arms must be covered). Shake hands (unless you are visiting a woman).

Sit and walk on the right if possible. Engage in pleasantries, do not come to the point too early. Do not enquire about someone's wife. Strong leadership is preferred to self-deprecation. Open door meetings are common. Do not be surprised if other people are present or come and go. There may be interruptions e.g. on mobile phones.

Remember!

- *If people are late, never show impatience or if a meeting is running over, never check your watch or drum your fingers on the table or make comments to your associates. It will be seen as inexcusably rude.*

Listening and Presentation

Arabs are interested in what will work for them. They are interested in know-how. Arabs look for a personal touch. Warm praise when due is appreciated. Stick to good news. Introducing subjects like illness, misfortune accidents or death is demotivating for Arabs. Not much fun for anyone else either. Arabs can be impatient listeners. Arabs are 'ping pong' speakers. They will interrupt and tolerate interruption. Arabs equate raised voices with sincerity. Shy quiet speakers do not impress.

Consensus building

It is more important to reach an agreement on something than to cover the whole agenda. It is better to agree an agenda in advance. Avoid making anybody 'lose face'. Avoid confrontation or a public loss of temper. Relax during silences.

Negotiations

Prices are usually bargained for rather than displayed. This applies to business as well as the market place. Bargaining is always tough but usually courteous. There may be some theatrical outbursts as part of the bargaining. Prepare for an extended process of bargaining for larger projects. Two or three years is not unusual. It is necessary to be firm but polite when you have really reached the end of your bargaining flexibility.

A walkout may ultimately be required. There is a reluctance to say “No” or “I don’t know”. Beware of being too direct! It may take some time to realise that the potential customer is not interested.

Bargaining

Arab negotiators can be enthusiastic bargainers and expect counterparts to offer major concessions on price and terms. Build large margins into your pricing.

Remember!

- *Give concessions only on an ‘if . . . then’ basis and make concessions with reluctance.*
- *Always demand something back in terms of price, terms or other issues.*
- *Don’t press for quick decisions. Go with the flow.*

Contracts

Get everything written down. This avoids future misunderstandings.

10 The Middle East: Hospitality and entertaining

In a relationship oriented culture, such as the Middle East, hospitality is an important part of business.

Gift giving

Gifts are welcome but not expected. Avoid alcohol (inc. alcohol in chocolates or after shave), and pigskin or pork. Be careful about admiring something, it may be presented to you and the giver might be insulted if you decline.

If invited home, take sweetmeats, cake or chocolate.

Mealtimes

Tradition has an important influence. Women do not usually eat with male guests. An invitation does not automatically include one's spouse.

Guests may arrive with an unannounced extra companion.

Invited guests may not appear .

You may be invited to a Bedouin-style meal, perhaps in the desert.

Sit on the floor around the dish. Eat with the right hand.

You are expected to eat fully - but leave a little.

Meals end after coffee and guests are not expected to linger.

Hospitality is central to Arab custom.

Hosts are usually generous towards their guests.

Food and drink

Accept coffee or tea. Drinks are served in small cups/glasses without milk.

Show you do not want another cup by shaking the cup. Alcohol, if available, should only be drunk in moderation. Different states have different attitudes to alcohol. References to social drinking should not be made at business meetings.

Main meals invariably involve meat, especially chicken, goat, lamb and mutton. Meat must be prepared in a certain way (*Halal*). Pork is prohibited .

Halal and non-halal food should be prepared and served separately.

Smoking is common although it is recognised as a bad habit.

Remember!

- *Your host will push you to eat and drink. This is the tradition.*
- *You should eat as much as you can and then decline emphatically but politely.*

- *You may have to wait an hour or an hour and a half for your meal as the Arab tradition is often to talk first then eat then leave in contrast to UK.*
- *When entertaining, also push your guests to have more.*

Follow Up Reading

Lewis Richard D (2011) When Cultures Collide London NB Books

Gesteland Richard (2003) Cross-cultural Business Behaviour Copenhagen
Copenhagen Business Press

Williams Jeremy (2003) Don't they know it's Friday? Cross cultural
considerations for business and life in the Gulf

Cuddihy Cathy Saudi Customs and Etiquette London Stacey International