



8

The Cultural Side of Entrepreneurship in the Middle East: Religion, Gender and Family

Marwan Azouri and Lindos Daou

Introduction

Culture in the Middle East presents a very important aspect of people's social lives as it is integrated into every aspect of personal and professional relationships among people. The cultures within the region are based on traditional norms, practices and behaviors that have been passed on from one generation to another. In the region, culture acts as an invisible guiding hand for people in their private as well as in their professional lives.

M. Azouri (✉) • L. Daou
Notre Dame University—Louaize, Zouk Mosbeh, Lebanon
e-mail: mazouri@ndu.edu.lb; ldaou@ndu.edu.lb

The Influence of Middle Eastern Culture in Business

Culture in the Middle East is a major component of every business fabric due to the reason that people have a high tendency to involve their societal norms, traditions and practices in their business. The organizational cultures in family-owned businesses and in small businesses arise out of the business practices which are mainly derived from the national culture. Thus, organizational culture is those practices which exists in companies and derive out of the national culture.

Culture as a Descriptive Term

The cultures within societies are both felt and lived. People like to tell never-ending stories about their culture, to describe it in words and actions, and they are very familiar with it as it is integrated into their daily practices and behaviors. Thus, the society's culture is transmitted to children by their parents at home, and then taught to the children at school. Later on, it is shaped by the society we live in including friends, coworkers and fellow members in various organizations.

Regional Subcultures

There is quite a difference between culture and subculture, as the latter is defined for a distinct cultural group that exists as an identifiable segment within a larger, more complex society. Major subcultural categories include nationality, religion, geographic location, race, gender, age, occupation and social class. All these categories can divide the major culture into smaller groups who belong to, or who can identify with, the various categories in the region. The major subcultures are based on religion and nationality, as people strongly identify themselves with these categories, and entrepreneurs consider them as major segmentation variables for the market.

The Hofstede Framework for Assessing National Cultures

In the context of national cultures, in the 1970s Geert Hofstede (2001) developed a framework that he used to understand the differences in culture across countries and to discern the ways that business is carried out across different cultures. He focused his research on forty countries at first and later extended it to include fifty countries in total. The analysis led to identify, in total, six dimensions of national culture that can be summarized as the following:

- *Power Distance*: The extent to which people accept and expect that the power is distributed unequally. A lower score on this dimension identifies that people question authority and attempt to distribute power.
- *Individualism vs Collectivism*: This dimension of collectivism explains to what degree the community is based upon mutual help and support to others, and people are in these societies are integrated within groups. In contrast, individualistic cultures have loose ties with groups and are related only by their core/direct family members.
- *Uncertainty Avoidance*: The extent to which people tolerate ambiguity and unexpected events. Cultures who rank high on this dimension prefer routine and abiding by the status quo.
- *Masculinity vs Femininity*: Masculinity refers to achievement, heroism, assertiveness and material rewards, while femininity is more oriented toward caring for the weak, nurturing roles and quality of life.
- *Long-Term Orientation vs Short-Term Orientation*: This is the dimension which associates connection with past traditions with current and future actions/challenges.
- *Indulgence vs Restraint*: This refers to the degree of freedom that gives people the chance to fulfill human desires.

Characteristics of Middle Eastern Cultures

According to Geert Hofstede's framework for assessing national cultures, Middle Eastern societies are known to be collectivist societies that value

societal norms. People are concerned for and look after their own family's interests, and tend to think as a group rather than having each person focusing on their own personal aims. Furthermore, Middle Easterners maintain a high power distance, whereby a great deal of respect is given to the elderly and especially to religious and political leaders. Middle Easterners rank low on uncertainty avoidance and are short-term oriented where traditions play an important role in the society. Furthermore, they are masculine societies which are very paternalistic and that is highly reflected within organizations. Lastly, these societies contain a dimension of restraint due to an abundance of norms and taboos that significantly restrain individual behavior.

The Perception of Gender in Entrepreneurship

In entrepreneurship job creation, innovation, growth and branding are important elements. In addition to these, gender plays a major role in shaping entrepreneurship. In previous decades men were considered as the catalyst of entrepreneurship. They had more powerful entrepreneurial intentions than women according to De Bruin et al. (2007).

Perception has always been linked to the way people see or analyze a concept, behavior, brand or a product according to their own understanding while using multiple senses. Moreover, perception has played a major role in the growth of businesses and their survival in highly competitive environments.

Entrepreneurial Intentions

Personal attraction, subjective norm and perceived behavioral control are the main characteristics of any behavioral intentions for individuals. These characteristics are used to analyze and examine the intentions of all entrepreneurial actions (Díaz-García & Jiménez-Moreno, 2010; Ajzen, 1991).

We can witness three types of barriers: lack of support, lack of competency and fear of failure, as well as behavioral intentions (Wagner, 2007). Moreover, behavioral intentions will be our focus in understanding the perception buildup between gender and entrepreneurship.

Barriers to Entrepreneurship

Values related to culture will always play a part in shaping the societal role of gender and its stereotypes in the business working environment for both women and men.

It's good to know that gender stereotypes are not only perceived as descriptive but also as prescriptive. Being descriptive means to study and understand the differences in how men and women are and prescriptive means to study and understand the norms that are suitable in a way or another on how women and men should behave in business (Heilman, 2001).

Traditionally, entrepreneurship has been male-oriented and male-dominant. This is why individuals' choices and incentives for pursuing certain careers might thus be shaped by widely held societal attitudes about gender roles. The above-mentioned perceived value of entrepreneurship may have caused women to be more hesitant and more unlikely to be willing to venture into entrepreneurship roles due to seeing themselves as unsuitable for entrepreneurial activities. These factors lead to a focus on two of the three types of barriers: the fear of failure and lack of competency.

Gender perception and gender differences were noted mainly in the study "Fear of failure"; many other studies have shown that women are more impacted by the fear of failure than men. This has been linked with women's perception of failing due to their lack of competency. This also shows that women are more likely to analyze the situation from a helicopter point of view, rather than from the intentional point of view of "yes, let's do this business, let's take the risk ...". Various studies have also shown that women are less self-assured in leading a business due to previous perceptions they have built up that regard women as poor entrepreneurs. All the above factors play an important role in the improvement in gender equality between women and men, and for ways of changing those negative perceptions and poor images.

Women as Perceived in Media and Advertising

Mass media and advertising are highly controversial topics nowadays. As one of the multiple factors influencing culture, behavior and lifestyles,

mass media has played an enormous role in transmitting those social values. It has been demonstrated for decades that women, and more precisely women's bodies are used in advertising to attract and create a better and more appealing image of a product. Advertising is the number one catalyst in terms of stereotyping women. Advertising has always delivered images and perceptions portraying women as unimportant, as not achieving great things, as being always dependent on men, as lacking competency, and always ending in failure whenever they are not surrounded or backed by men.

Such images were delivered to all four corners of the world due to globalization and the ease of access to mass media and social media. Globalization has shifted regional markets into global non-bounded markets. We now have a worldwide market. As we know, advertising is a viable way of delivering a message. Featuring women in advertising has been the key to success in terms of delivering the message and creating a positive attractiveness to the product or the brand. This image has assisted in the lowering of women's image in business, which also leads to a gap in terms of seeing women as successful entrepreneurs.

Often, advertisements that use women in a central role have mislead customers due to misleading information, or no congruence of the product with the advertisement. Moreover, sometimes advertisers use women in an advertisement while knowing that the use of women is not even the main target of the product, or that women are not even the target consumers.

Let's take the example of "Even angels will fall" by Axe/Lynx. In this advertisement we can see angels falling from the sky as soon as the main character (played by a man) uses the deodorant. It goes without saying that all angels are more than attractive with their perfect bodies, skin and shape. This ad has created a lot of controversy and has been banned in several countries, South Africa and some MENA (Middle East and North African) regions due to the fact that the ad is breaking many taboos (religious, sexual, erotic, etc.).

Featuring women in mass media and advertising has been linked with:

- The stereotyping of women (mothers, wives, sexual models, bait);
- Objectification of women (women are viewed as sexual objects);
- Artificiality;
- Manipulative (buying decision);
- Unrealistic (stripping women of their identities).

As we all know, we are bombarded on a daily basis by advertising from TV advertisements, magazines, social media and social networks, billboards, etc. We are constantly exposed to more than 2000 ads on a daily basis (depending on the country), and this plays a major role both in shaping society and in shaping our behavior toward women. It goes without saying that advertising has played a large part in forming our ways of thinking about and imagining women. More precisely, it has played a negative role in the perception of women in business, particularly as entrepreneurs.

The Working Woman Segment

While many studies have focussed on the enhancement of women's equality, empowerment and social inclusion, in recent years we have witnessed a spike in women entrepreneurs. That spike is due to multiple factors: women opening up to business, women standing up for their rights and more precisely the abolition of virtual boundaries between countries due to the rise of social media. It was shown in a recent OECD study on the role of gender that women are increasingly making a significant contribution to the world economy and to its growth, as well as in poverty reduction in both developing countries and high-income countries, which demonstrate that the fear of failure and lack of competency were pure perceptions and not a reality.

Numbers do not lie, and in the year 2020 we can see that the number of female entrepreneurs in the world have become more significant (Fig. 8.1).

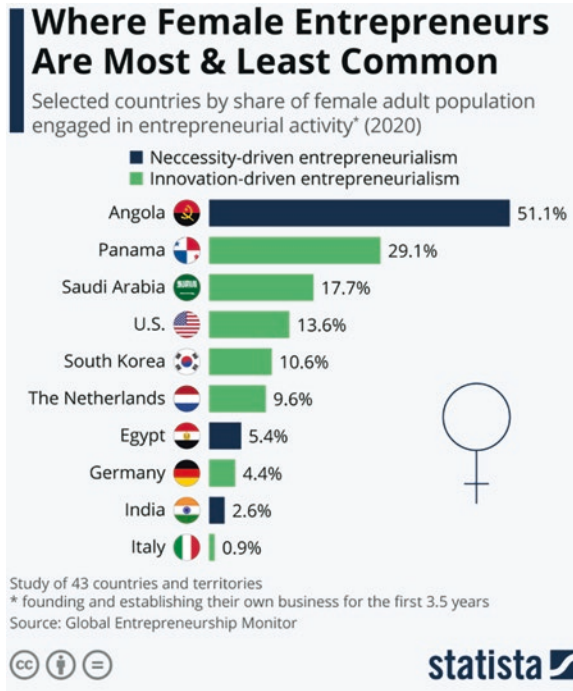


Fig. 8.1 Countries where female entrepreneurs are the most and least common. (Source: Katharina Buchholz, Statista 2021)

The Importance of Family Businesses

According to several articles and research, family business are flourishing in the Middle East and are one of the most important factors in term of economic revenue for Middle Eastern countries. We know that more than 60% of the Middle Eastern companies are family-owned businesses. Those business contribute approximatively 60–70% of country GDP. In the Middle East, family-owned business are crucial in terms of the prosperity and growth of any country. It’s good to add that family-owned businesses are part of Middle Eastern culture and reflect the true essence of family entrepreneurship.

It’s also important to mention collectivism regarding family-owned business. Family-owned businesses work and are managed in collective

ways rather than in an individual way. Everyone will benefit from the success of the business.

A major drawback in family-owned businesses is that change is quite impossible, even in shifting environments. This impossibility is due to the resistance to change applied by the company's owner. Another drawback is in the advancement in terms of job position and responsibilities. Family disputes can also play a major role in the company's achievements and success. Family pressure applied in the recruitment process can lead to recruiting the wrong person. One last major drawback is the lack of organizational structure and culture, because it depends solely on the family culture and the family hierarchy.

The Role of Religion in Business

Religion has usually been considered as a taboo subject in term of research or study for business. Religion is a social force that has affected ways of managing business and for social behavior. "Corporate Social Responsibility" and ethics are highly related to religion. Religion has always played the role of catalyst in business via religious institutions, especially in the Middle East.

Religion has also been a force of regulation due to its role as a cultural force that affects business both directly and indirectly. Religion is also part of the daily role and routine that any company or business plays in society. Such roles are shaped by religion even if only indirectly. Having to label "Halal" on meat products is one major example of how religion plays a role in our daily business tasks.

But sometimes religion has also played a dark role in business when organizations and companies use the excuse of religion to legitimate their actions and defend them under the flag of religion. Sometimes governmental bodies use verses from biblical books to cover certain actions or regulations.

What need to be retained from the impact of religion on business is that it's an important catalyst that shapes social forces and aids in better management when and only when it's used in the correct way. Sometimes religion is used as a business shield to cover certain unethical decisions taken by organizations, or to cover certain actions that lead to a "better" economic outcome.

References

- Ajzen, I. (1991). The Theory of Planned Behavior. *Organizational Behavior and Human Decision Processes*, 50(2), 179–211.
- De Bruin, A., Brush, C. G., & Welter, F. (2007). Advancing a Framework for Coherent Research on Women's Entrepreneurship. *Entrepreneurship Theory and Practice*, 31(3), 323–339.
- Díaz-García, M., & Jiménez-Moreno, J. (2010). Entrepreneurial Intentions: The Role of Gender. *International Entrepreneurship and Management Journal*, 6, 261–283.
- Heilman, M. E. (2001). Description and Prescription: How Gender Stereotypes Prevent Women's Ascent Up the Organizational Ladder. *Journal of Social Issues*, 57, 657–674.
- Hofstede, G. (2001). *Culture's Consequences: Comparing Values, Behaviors and Institutions across Nations* (2nd ed.). Sage Publications.
- <https://www.statista.com/chart/19254/female-adult-population-engaged-in-entrepreneurial-activity-per-country/>
- Kirkman, B. L., Lowe, K. B., & Gibson, C. B. (2006). A Quarter Century of Culture's Consequences: A Review of Empirical Research Incorporating Hofstede's Cultural Values Framework. *Journal of International Business Studies*, 37, 285–320.
- Wagner, J. (2007). What Difference a Y Makes—Female and Male Nascent Entrepreneurs in Germany. *Small Business Economics*, 28, 1–21.