

9

Middle Eastern Women in the Workplace: Between Traditional Careers and Entrepreneurship

Madonna Salameh-Ayanian and Ursula El Hage

Introduction

Major wars and political, social and economic instability in the Middle East and North African region (MENA) have stalled foreign direct investment and led to a strong decrease in tourism as well as disruption in several economic activities at regional level. Even though a few countries, such as Qatar, the United Arab Emirates (UAE), Saudi Arabia and Bahrain, are improving their international competitiveness ranking among the top 50 countries in the world, the region is still fragile and vulnerable. Rising security concerns in countries such as Yemen, Syria and Libya have also spilled over into countries such as Lebanon and Tunisia, affecting their economies. Despite the disparity in performance, major challenges are shared by all MENA countries: these include low growth and an increase

M. Salameh-Ayanian (✉)

USEK School of Business, Holy Spirit University of Kaslik, Jounieh, Lebanon

U. El Hage

Quality Assurance Department, Université Saint Joseph, Beirut, Lebanon

© The Author(s) 2017

N. Azoury (ed.), *Business and Society in the Middle East*,

DOI 10.1007/978-3-319-48857-8_9

in unemployment, especially a growing rate of youth unemployment. According to the United Nations Entity for Gender Equality and the Empowerment of Women (2013), a total of 51% of young women were unemployed and 23% of men in the age group 15–24. It is estimated by Hoel (2013) from the World Bank that if employment rates in the MENA region do not improve, there will be 50 million unemployed men and 145 million unemployed women by 2050.

The Status of Women

It is undeniable that women have played a fundamental role throughout history; however, they remain considerably underrepresented in managerial, social and political positions. They appear to reach a middle level without being able to manage a breakthrough, thus stagnating at a place where an invisible barrier seems to exist: the so-called “glass ceiling.” Research has shown that the percentage of women in top management positions/board seats does not exceed 15% at the international level; in April 2016, women were estimated to hold a minimal 4.2% of CEO positions in America’s 500 biggest companies, according to *Fortune 500* (2016) magazine. Although several endeavors have been made in order to foster the role that women have, and to encourage their participation, the situation is witnessing only very slight improvements. In the Arab region, the situation is even worse: women appear to be significantly absent from strategic managerial roles in all aspects of society.

According to the World Bank report (2016), the global average for women in the labor force is about 50%. In the MENA region, it is half that, despite the fact that more and more women are better educated than before, and only 17% work in the non-agricultural sector. Moreover, the absence of women in leadership positions is clearly reflected in the data published by Bajpai et al. (2015), which shows that women hold less than 1% of executive committee and board positions in the Gulf Cooperation Council—figures that are among the lowest in the world.

Delving into the reasons behind this low rate, various factors appear to collide in order to maintain the status quo.

Two sets of factors, grouped into two main categories, lead to this disparity: general external factors that are imposed and internal factors that are unique to the women themselves. To name a few: national culture, organizational culture, education, gender bias, stereotypes, HR (human resources) policies, marital status and maternity. Facing all this, women find themselves obliged to find alternatives to capitalize on the talents they have. In order to do this, several have decided to venture into the world of entrepreneurship that seems to provide women with more flexibility and freedom to control and organize their own work, and therefore appears to be a remedy against high unemployment and stagnant economic growth.

This chapter will tackle in its first section the elements that prohibit women from further advancing in their career within organizations. The second section will address the world of entrepreneurship.

National Culture

According to Hofstede (2010), six dimensions differentiate between the culture of different nations. They are the following:

- Power Distance Index (PDI): refers to the level of equality between individuals in the same country;
- Individualism versus Collectivism (IDV): related to the level of interdependency among individuals;
- Masculinity versus Femininity (MAS): tackles competitiveness levels among individuals and the question of gender;
- Uncertainty Avoidance Index (UAI): refers to the way in which a population considers the future and the unknown, as well as its attitude towards uncertainty;
- Long-Term Orientation versus Short-Term Normative Orientation (LTO): considers the role of the past in dictating decisions about the present and the future;
- Indulgence versus Restraint (IND): focuses on whether there is pressure to control desires and impulses, and the extent to which socialization levels are favored.

The Arab region encompasses several countries that are connected in several ways: through language, religion and proximity. However, several differences are noticeable, leading to variances when the Hofstede Model is applied to each country. But in general, and on a regional level, researchers would agree that the Mediterranean countries are characterized by:

- **High power distance:** hierarchy and tall structures predominate across public and private institutions; this factor is also reflected within relationships among individuals, whereby age and relationship with parents and other senior family members as well as religious or public figures predominate. Additionally, titles, social status and income levels affect the way in which people interact.
- **Collectivistic:** individuals in this part of the world have a high sense of belonging to their group. Strong affiliation to the family or the community based on elements such as religion or political orientation is witnessed. Bonds between individuals dictate several key decisions related to succession, recruitment and other matters.
- **Masculinity:** gender disparity is highly visible in all life's aspects; women's active role in society is restricted by obligations that are imposed on them (such as household obligations) whereas men have more freedom. Men dominate the vast majority of key governmental and board of director positions.
- **Uncertainty avoidance is high:** fear of the unknown is an aspect of this population, because of the variety of codes of beliefs and of the standards of acceptable behavior that are shared, leading to high levels of uncertainty avoidance. There is, however, a clear difference between countries: in Lebanon the ratio of this component is 50, while in Saudi Arabia the score is 80.
- **Short term oriented:** Mediterranean countries maintain a strong attachment to the past while dealing with the challenges of the present and future. Traditions are core in shaping behaviors and decisions.
- **Restraint:** norms and standards largely affect acceptable behaviors within Mediterranean society; the control of desires and refraining from certain actions become part of education, and affect the way individuals think and act while imposing specific courses of action.

In the MENA region it is worth mentioning that women cannot separate their roles of daughter, wife and mother from those of employee and manager, as the pressure to perform at home and to fulfill household obligations remains incontestably their main responsibility. However, the support of partner and family constitute a major pillar in encouraging these women to continue to seek higher challenges at work. Consequently, as they are supposed to fill first and foremost their roles at home, the possibility of maintaining a work–life balance is necessary in order to enable them to achieve at work.

Organization Culture and HR Policies

In the MENA region, women constitute 24% of the workforce compared to 76% as an average across other countries; differences in salaries between individuals with the same skillsets and the same jobs demonstrate variations in favor of men.

The local culture certainly plays a role in shaping the organizational culture. Established based on the beliefs of its founder, an organizational culture ultimately aims to create a system of shared values that reflects the organization's philosophy; it is reinforced by the actions of the management team and is perpetuated by the efforts of all the people who are part of the organization. Attracting individuals who fit within organizational culture is key; to this end, HR policies and practices are fundamental in setting the tone, starting with the very early recruitment process.

HR policies and practices are considered to be the main driver for organizational advancement. They reflect the culture of the organization as instilled by its founders. Putting in place policies and practices that support work–life balance without penalizing women would help improve the chances of women to advance in their careers. To this end, “women-friendly” and “family-friendly” policies are necessary to encourage women to seek or to continue in higher positions; these include flextime, opportunities to work from home and job sharing, as well as the provision of additional services and facilities within the institutions. Even today, work–life balance schemes fail to be institutionalized and remain rather individualistic, dependent on the personal relationship of individuals with their supervisors. This is in addition

to the fact that women have to interrupt their careers owing to maternity; a situation that is considered by many a disadvantage and even a weakness when compared with the dominant male players.

An organization's culture should strive to create equal employment opportunities for its employees; this is a main element of diversity that appears to be an enrichment factor for increased productivity.

Diversity

Diversity relates to any differences between members of the organization with regard to gender, race, age, socioeconomic background as well as other characteristics, and raises ethical and social responsibilities issues. Research shows that men are three times more likely to get a job than women in the MENA region; wage variation also exists, with the balance falling more towards the men, as women appear to be underemployed. It is worth mentioning that the MENA region showcases one of the highest underemployment rates in the world for its young women, as mentioned in the Silatech report on the topic dated 2013.

In their report, Desveaux et al. (2007) show that firms with women directors perform better than those without women on their boards; gender diversity appears as a corporate performance driver. Brammer et al. (2007) specify that when the equality of representation is greater within organizations, it relates to direct and indirect benefits that may potentially arise by reflecting on the demographic characteristics of key stakeholder groups, such as customers, employees and investors.

Organizations are now aware of the importance and benefits of diversity; however, the notion of successful careers remains associated with long working hours, attendance, necessity of travel, leadership style and much more.

Leadership Style

Gender and leadership style have been subject to several studies, whereby researchers tried to identify elements that would affect the advancement of women to key positions in society. Today we can find a high ratio of

women occupying middle management positions, but they fail to make it to top management: female CEOs in the Mediterranean world are rare.

With regards to leadership style, two types are considered to distinguish men and women. The transactional leadership style characterizes individuals who are systematic and work with their subordinates on the basis of reward or punishment vis-à-vis a certain behavior, while a transformational leadership style focuses on inspirational team work and try to serve group priorities that will drive the performance of the company forward while changing things around. Although both styles have their advantages and disadvantages, each is thought to work best in a certain context and setup. Researchers, however, tend to associate women with transformational leadership styles while men tend to have a transactional style.

In his article about leadership styles of men and women in the Arab world, Yaseen (2010) states that women exceed men on four transformational scales: the attributes version of idealized influence, inspirational motivation, intellectual stimulation and individualized consideration. Arab men exceed Arab women on two transactional scales: management by exception passive and management by exception active, whereas women exceed men on contingent rewards.

Attitudes towards leadership style are regarded as being based on stereotypes, which tend to allocate certain traits and behaviors for each gender and thus constitute a basis for judging and accepting the person.

Gender Bias and Stereotypes

When occupying leadership or managerial roles, women are perceived to violate gender role expectancies because these roles are more aligned with stereotypically male qualities and thus with the male gender. Attitudes are less positive toward female rather than male leaders because of the gender bias and stereotyping: two main aspects of the glass ceiling.

Women also lack a proven history in leading organizations, thus generating ambiguity about their ability to succeed. Having this perspective in mind, one can understand that boards of directors, mostly comprised of men, perpetuate the status quo by selecting managers who look like them. Additionally, women are excluded from several networking events;

they do not participate in *majlis* or *diwaniya*, culturally important social gatherings where men informally exchange information and expand their network. Additionally, the practice of *purdah* or seclusion in some communities means that women are confined to work in the home or in single-sex occupations, further limiting their option and opportunities for exchange and advancement, and making it impossible to work in several industries or in a broad range of companies.

Facing this situation, historically women have understood that they need to work harder than their counterparts to prove themselves; they continue to enhance their skills, obtaining graduate degrees in larger numbers than men. Nevertheless, the balance of female and male leadership remains unequal.

It is important, however, to state that in some cases women have made a choice not to access upper level management positions—having prioritized work–life balance over career advancement. As a matter of fact, they perceive top managerial positions as hostile and unattractive places, where the individual becomes a victim of the role he or she is holding.

Career Aspiration Versus Work-Life Balance

Looking at women's internal drive, we believe that a cycle of aspiration exists; it links the marital/familial status to career advancement to create the regular path that most women will follow. This cycle could be described by the following sequence. Following graduation women are enthusiastic to take on the challenge, to succeed and to work hard to advance. Once married, the drive persists until maternity happens. With the first child, and with assistance and help, equilibrium is possible. This situation is most likely to continue until the arrival of the second child, when women start to seek a different work–life balance and where home obligations begin to lead to work absenteeism and less availability for work-related events. This is when the balance begins to lean in favor of the family. As more children arrive the balance continues to change, leading—at times—to work interruption. The possibility of succeeding arises again when children reach the age of independence and self-autonomy, giving women the hope that they can make it again; but in most cases

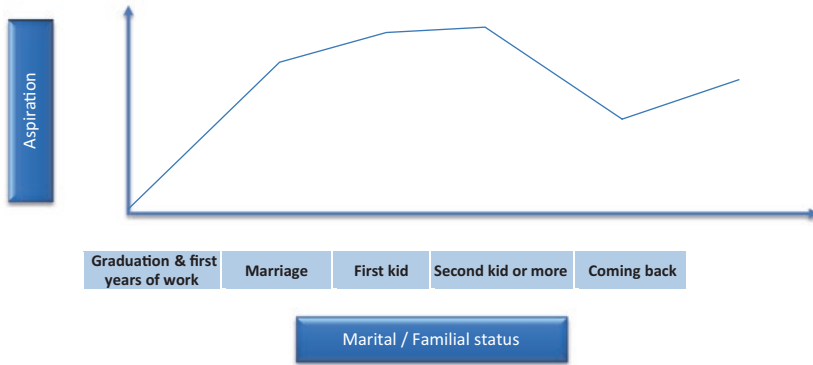


Fig. 9.1 Career path linking “Aspiration” to the “Marital & Familial Status” of women

they fail to get back on track because of the prior missed opportunities (Fig. 9.1).

Facing all these challenges, women find themselves attracted towards entrepreneurship in an attempt to overcome the obstacles and reach self-fulfillment, while at the same time coping with the requirements their gender role imposes.

Entrepreneurship as an Alternative for Unemployment

Entrepreneurship comes from the French word “entreprendre,” which means to undertake. In a business context it means to start a business. The Merriam-Webster dictionary defines an entrepreneur as one who organizes, manages and assumes the risks of a business or enterprise. According to Professor Howard Stevenson from Harvard Business School (HBS), “Entrepreneurship is the pursuit of opportunity outside resources controlled.” Thomas R. Eisenmann, also from HBS, explains that these opportunities face demand risk, technology risk, execution risk and financial risk.

The United Nations Human Development Report of 2015 explains that 450 million entrepreneurs have contributed to human innovation

and creativity; arts and artisans have also contributed to social cohesion and cultural identity. Entrepreneurs create income for themselves, but they also recruit more people and ensure income for their entourage, which decreases general unemployment rates. Entrepreneurship can sustain economic development, which leads to growth in gross domestic product (GDP) and improved quality of life. Through viewing the effect of various national and international recessions on businesses, evidence suggests that job creation in the start-up segment remains consistent in economic downturns, whereas larger businesses are more adversely affected by external economic factors. Finally, according to Naqvi (2012), two-thirds of new jobs come from firms that are between one and five years old. According to Schumpeter, the entrepreneurial process is a major driver of economic development, and the entrepreneur is the key to economic growth.

Economic Diversification Through Female Entrepreneurship

The MENA region is home to the world's biggest energy exporters, but the drop in energy prices since 2013 has led to a need for the creation of more jobs through economic diversification and the building of a strong private sector. Female entrepreneurship is not only important for economic growth but also for economic diversification, with the study by Chalmoun et al. (2008) about the Environment for Women's Entrepreneurship in MENA demonstrating that there is a direct positive correlation between women entrepreneurs entering the economy and economic diversity. MENA countries that are looking for product diversification and alternatives for oil sales could consider promoting female entrepreneurship, so that diversification follows. The same could be said for incubators and non-governmental organizations (NGOs) that are looking for portfolio diversification.

One may observe that there is an opportunity in the MENA region for the development of healthcare and the food industry, since the region has the highest level of obese people in the world according to the United Nations Human Development Report, with an alarming 20% obesity rate.

This shows a clear opportunity for entrepreneurs. The same can be said for the education sector, which is growing considerably in the region, with an estimation of a 48% increase by 2030 (second after Sub-Saharan Africa). The innovation, technology and creativity sector is a great space in which entrepreneurs can thrive, especially female entrepreneurs in these sectors.

An example to consider is the rise of “care of others” jobs, which has been continuously growing. The sector includes home care and care for older people, people with disabilities and children. The International Labor Organization estimates there are 53 million paid adult domestic workers worldwide, of whom 83% are women. This rising sector is highly dominated by women and can create diversification. Increasingly it is attracting the attention of international corporations, who are creating systems and tools to cater for the rising number of elderly and children alone at home.

Even though the MENA region has closed 95% of its education gender gap, and has improved educational attainment, economic participation and opportunity are still less than half way, and Iran, Jordan, Pakistan, Syria and Yemen have the five worst positions in the world in this category.

Female Entrepreneurs

In most of the MENA region countries, employment is associated with tight to full-time positions that require at least eight work hours per day. This situation becomes less favorable for women who seek work–life balance especially when they have more than one child. If one considers paid and unpaid work (office and home duties), women work 1.5 times more than men. For that reason, many women have chosen unemployment (in terms of office work) in order to take care of their families, but still they still seek alternative income and fulfilling activities. For that reason many women lean towards working from home or establishing their own businesses, which gives flexibility in workload and working hours, so that domestic responsibilities can be handled alongside the generation of additional financial support for their family. Entrepreneurship is therefore the solution.

A World Bank survey developed by Chamblou (2008) about female entrepreneurs in the MENA region showed that the widely held perception that female entrepreneurs in the region are primary in the informal and formal micro sector (employing fewer than ten workers), producing basic products or less sophisticated goods and services, is wrong. Through this survey of 5169 female-owned firms that was undertaken in the region, it may be seen that only 8% were micro-firms, more than 30% were classified as very large firms employing more than 250 workers and about 40% of female-owned firms were individually owned. In Syria and Morocco, more than 65% of female-owned firms were managed by the owner. Of these companies, 85% operate in the manufacturing industry and 15% in services.

Female E-Entrepreneurship

When acceptance among peers and opportunities for career advancement are scarce, entrepreneurship appears to offer solid ground for self-fulfillment and business ventures. In total, 88% of the Middle East population is active on social media platforms. These platforms have generated additional opportunities, changing the traditional business model and removing numerous barriers to entering the business world. This shift has enabled several women to reap the benefits of digitalization and entrepreneurship, moving towards the new era of e-entrepreneurship. A new category of commerce is born with fewer financial and legal implications. It appears to be more efficient in terms of value chain, as several activities are outsourced and the focus is solely on the core business.

There are examples of women who have managed to monetize their hobbies into profitable businesses, gaining a large follower base on their Instagram or Facebook accounts and expanding their ventures online. Success stories mostly revolve around fashion, accessories, beauty, handiwork and much more.

During the last years female entrepreneurship initiatives have been increasing; many such from MENA have been presented in national, regional or international conferences and competitions, with some of

the latest events that have taken place in Lebanon and Dubai hosting an equal male/female participation level. Some examples of female-led initiatives are Supermama from Egypt, which aims to provide budgeting and health management information for mothers, Troche from Saudi Arabia, which helps disabled women find jobs, Mumzworld, based in Dubai, which sells more than 100,000 baby related items. In addition, MIT Enterprise Forum and Co-Founder is headed by a Lebanese women.

E-entrepreneurship provides several advantages that women look for in a job: a simplification of the number and flow of activities and flexibility for work–life balance. It also develops hidden abilities such as leadership and self-confidence, as well as an ability to act quickly and decisively.

Entrepreneurship Ecosystem

It is clear that female entrepreneurs in the MENA region are more affected by the environment and the business ecosystem than their male counterpart. If we look at Ovais's Entrepreneurship in the Middle East and North Africa: Opening the Floodgates, we find specific points that female entrepreneurs should consider in order to flourish. These are:

- **Female mentoring:** mentoring is commonly neglected in the MENA region. The role of the mentor, as a guide who shares experience and insights with the entrepreneur, especially married female entrepreneurs whose circumstances and needs have different challenges than those of single or married male entrepreneurs, is crucial to channel their efforts and build on lessons that are learnt.
- **Role model presentation:** successful female entrepreneurs' stories inspire other women and create a paradigm shift. Female entrepreneurs struggling to create a successful business while taking care of their family are motivated by hearing the stories of other successful entrepreneurs in their entourage. Searching, documenting and sharing these stories via incubators or scholars is essential to nurturing the role model driver.

- **Entrepreneurship education:** this key role is played by educational institutions all around the MENA region to promote entrepreneurs and also to help them start creating their first venture while at university. Female entrepreneurs who are highly averse to risk could learn how to manage entrepreneurial risk in a controlled environment.
- **Cultural shift:** the key factor for female entrepreneurs is the support of their family and entourage, support for innovation, change, acceptance of risk, nonconformity and acceptance of continuous improvement instead of perfection. This will start in the household, where mothers need to instill this culture among their children and spread the principles of equality. This would continue in school, universities and in the community.
- **Creation of networking spaces:** finding the correct business contact for positive economic advantage is mandatory in every type of business. This is especially critical for female entrepreneurs who are trying to maximize their use of time in order to be able to manage the balance between family and work. Creating opportunities to put them in contact with key stakeholders who are necessary to foster their business inspiration would give them further confidence and increase their opportunities.
- **Governance and ease of doing business:** government is the core stakeholder for entrepreneurs, and by creating a regulatory context that makes it easier for entrepreneurs to flourish and breaking down various complex rules and regulations, individuals would be encouraged to take their first steps. It is undeniable that in the MENA region governments have major responsibilities to review the rules that limit women's participation in the business world.

Considering that women are more risk averse than man and that they have a tendency to create business out of necessity, it may be seen that they try to avoid uncertainty that might make them lose assets or possibly fail in their ventures. They try to avoid participating in sectors where there are cumbersome as well as costly and time-consuming procedures or corruption. Therefore we notice a negative correlation between female entrepreneurs and corruption. According to the World Bank's Doing Business 2008, countries with a cumbersome business environment have

fewer female entrepreneurs, while the opposite is also true. Simplifying procedures would lead to creating 33% more first-time female business owners than male.

Some recommendations that would increase the participation of women in entrepreneurship in the Middle East are as follows:

- Support local organizations in creating an incubation structure to help entrepreneurs. A strong incubation network can motivate female entrepreneurs;
- Introduce e-business and e-entrepreneurship into universities and continuous education programs;
- Improve the regulatory framework, since women are risk averse and cumbersome procedures limit entrepreneurship among women;
- Encourage public–private partnerships that support entrepreneurs throughout the region;
- Introduce practical education programs into universities so young students can have a first-hand experience in entrepreneurship while at university;

Conclusion

Affirmative actions in support of women starting, formalizing and growing their enterprises are a driver for endless economic advancement. E-entrepreneurship is undoubtedly the trend; the promotion of success stories will pave the way for other women.

We can see that several factors have to coincide in order to allow women to reach the top of organizations, with the most important one being work–life balance. However, it is undeniable that without the support of the community this won't be possible. We can conclude that the glass ceiling cannot be broken unless all stakeholders join hands to create a supportive environment that recognizes the dual role women have to play. Societies cannot grow and flourish unless women are given the chance to participate in political, economic and corporate lives. Instilling a new culture that understands and nurtures their capabilities is the key to unleashing the talent that innately exists within them.

References

- Bajpai, J. V., Dave, T. V., & Bajpai, M. S. (2015). Are women better leaders? What is the final verdict?-A review of prominent studies conducted on gender leadership effectiveness. Retrieved November 2016, from http://ijcem.in/wp-content/uploads/2015/05/Are_Women_Better_Leaders.pdf
- Brammer, S., Millington, A., & Pavelin, S. (2007). Gender and ethnic diversity among UK corporate boards. *Corporate Governance: An International Review*, 15(2), 393–403.
- Chamlou, N., Klapper, L., & Muzi, S. (2008). *The environment for women's entrepreneurship in the Middle East and North Africa*. Washington, DC: World Bank Publications.
- Desvaux, G., Devillard-Hoellinger, S., & Baumgarten, P. (2007). *Women matter: Gender diversity, a corporate performance driver*. New York: McKinsey.
- Fortune 500 (2016). *The percentage of female CEOs in the Fortune 500 drops to 4%*. Retrieved from <http://fortune.com/2016/06/06/women-ceos-fortune-500-2016/>
- Hoel, A. (2013). *Missing voices: Gender equality in the Arab world*. World Bank. Retrieved November 2016, from <http://www.worldbank.org/en/news/feature/2013/03/14/missing-voices-gender-equality-in-the-arabworld>
- Hofstede, G. (2010). Geert hofstede. *National cultural dimensions*. Retrieved November 2016, from <https://geert-hofstede.com/national-culture.html>
- Naqvi, O. (2012). Entrepreneurship in the Middle East and North Africa: Opening the floodgates. *Innovations*, 7(2), 11–17.
- Women, U. N. (2012). United Nations entity for gender equality and the empowerment of women. *UN Womens Safe Cities Global Initiative*. Retrieved November 2016, from <http://www2.unwomen.org/-/media/headquarters/attachments/sections/library/publications/2012/un-women-ar-2012%20pdf.pdf?v=1&d=20141013T121503>
- World Bank Report. (2016). Retrieved November 2016, from <https://blogs.worldbank.org/arabvoices/ten-facts-about-women-arab-world>
- Yaseen, Z. (2010). Leadership styles of men and women in the Arab world. *Education, Business and Society: Contemporary Middle Eastern Issues*, 3(1), 63–70.