

Comparison between Western and Middle Eastern Cultures: Research on Why American Expatriates Struggle in the Middle East

Ebba Ourfali

Introduction

Organisations in general are aiming at reaching as much markets as possible, which means interacting with different cultures and environments. Interacting with individuals with different backgrounds could result in miscommunication. The reason is that people from different cultures perceiving almost everything differently. Consequently, organisations are increasingly interested in people that have experienced and adjusted to different cultures as they are flexible in cultural adjustment. This flexibility helps an organisation in saving money by sending an employee who is capable of carrying over the assignment they were sent on successfully without damaging business relationships overseas. Therefore, this essay will discuss expatriates and their roles, what are cross-cultural issues, the difference between high and low context cultures, and a comparison of American culture and Saudi Arabian culture. This comparison could help in understanding why American expatriates, who are in heavy demand in Saudi Arabia, struggle when trying to adjust to the Saudi Arabian culture.

Expatriates in a Brief Overview

Expatriates are increasingly becoming important and are utilized by corporations all over the world due to global assignment that hold strategic importance to an organisation, such as new market development. For example, a survey of 103 organisations has shown that these organisations have more than 50 high-level managers, and between 200 and 2000 managers on global assignments (Caligiuri, 2000). Caligiuri (2000) claims that it is vital for an organisations to attract, select, develop, and retain employees who can live and work effectively overseas. Nevertheless, Ali and Azim (1996) argue that expatriates have different perceptions compared to individuals who lived in only one society because of their broader cultural backgrounds and experiences. However, scholars argue that due to the lack of competent indigenous workers organisations train employees to be flexible and internationally mobile (Bhuan, Al-Shammari, & Jefri, 2001). Consequently, expatriates started getting hired straight after the noticeable development of international business (Bhuan, Al-Shammari, & Jefri, 2001). Bhuan, Al-Shammari, and Jefri (2001) claim that there are two types of expatriates, organizational expatriates (OE) are sent by organisations overseas to complete specific assignments. The second type of expatriates according to Bhuan, Al-Shammari, and Jefri (2001) is self-initiated overseas expatriates (SIE), who are different to organisational expatriates, are hired individually by overseas companies on contractual basis. The latter is found heavily in the developing regions such as Middle, Eastern European, and

South-East Asia because of the exodus of ambitious workers (Bhuiyan, Al-Shammari, & Jefri, 2001). In addition, Bhuiyan, Al-Shammari, and Jefri (2001) claim that the intense scarcity of capable workforce in some parts of the world, specifically the Gulf Cooperation Council, has increased the demand for expatriates in general. Due to the rapid and sustainable economic expansion of countries in that region a lack of human resources was increasing, which forced these countries to hire expatriates from all around the world (Bhuiyan, Al-Shammari, & Jefri, 2001). In specific, scholars claim that in the 1980s expatriates made up around 61% of oil-rich countries workforce, and 40% of their population. To clarify, Saudi Arabia is one of the strongest economies, if not the biggest, but the severe lack of skilled human resources forced the country to hire 4 million expatriates, who are mostly SIEs.

Therefore, expatriates were highly important for previously mentioned countries' long and short term strategic development plans, and that was shown in their heavy dependency on expatriates. However, studies have shown previously that expatriates have a different work orientation compared to individuals from the host country, which is due to their cultural experiences (Ali, Taqi, & Krishnan, Individualism, Collectivism, and Decision Styles of Managers in Kuwait, 2010).

Cross Cultural Issues

Expatriates that travel overseas to start working in a completely new environment and culture, which needs cross-cultural adjustment. Individuals from different parts of the world are raised in different ways, environments, languages, and from that they start developing their personality. For example, a person from Italy would be offended if someone else was asked formally to check their work (Hofstede, 1986). Consequently expatriates not only face difficulties adjusting to the host country's environment and culture, but difficulties are experienced when adjusting to the new organisational culture (Ali & Azim, 1996). Therefore, to fit within a new society after an individual starts living in a completely new culture that has different values and norms, they need to cross-culturally adjust. Cross-cultural adjustment is defined as the extent to which an individual is psychologically comfortable living outside their home country (Caligiuri, 2000). Values are defined as "broad tendencies to prefer certain states of affairs over others" (Hofstede, 1986, p. 5). Moreover, Hofstede (1986) claims that values are simply what leads us to feel that a certain thing is good or evil. In other words, Caligiuri (2000) claims that cross-cultural adjustment simply is "the individuals' affective psychological response to the new environment". Nevertheless, in cross-cultural issues there are problems that are subjective and others that are objective and both are influenced by individual's cultures. Subjective problems are focused around individual's qualities and tendencies, such as unwillingness to take responsibility. (Ali & Azim, 1996). Objective problems on the other hand is referring to problems that originate in a civilization, society, or organisation, such as tribal influence (Ali & Azim, 1996). On one hand, studies have shown that cross-culturally adjusted expatriates try to integrate themselves when approaching a culture, they try to absorb the hosting culture, and they adjust and integrate behaviours, norms, and roles to their basic culture provided by their home country (Caligiuri, 2000). Hofstede (1986) claims that since human beings' societies have been in

contact with each other and cross cultural learning been happening. On the other hand, scholars claim that cross culturally unadjusted expatriates tend to view the host country's culture inferior to their home culture (Caligiuri, 2000). Furthermore, Caligiuri (2000) claims that they tightly hold on to their cultures whenever they can and they are unwelcoming to the norms, behaviours, and roles of the host country's culture .

For example, culturally-unadjusted expatriates tend to surround themselves with groups of expatriates from their home country's culture (Caligiuri, 2000). An explanation could be that individual's surrounding environment reinforces them in their traditional way, which makes learning hard (Hofstede, Cultural Differences In Teaching and Learning, 1986).

High versus Low Context Cultures

Different cultures around the world have different norms, behaviours, and actions, which in essence are different ways of communicating with one another according to their rules and principles. However, different actions and behaviours carry different meaning depending on the context and the culture. According to Hall and Hall (1987) context is the inseparable pieces of information that is surrounding an event and helps in giving the event some meaning. Different cultures communicate with different context, and that's why cultures can be compared on a scale from low to high context (Hall & Hall, 1987). Hall and Hall (1987) defined high context (HC) communication is where most of the information exist in the person and there is very little explicit information in the transmitted message. While low context (LC) communication has most of the information in the explicit and transmitted part of the message (Hall & Hall, 1987). For example, two lawyers in a courtroom will keep their communication low context and most of the information will be explicit (LC), but for two twins they would communicate more implicitly (HC) (Hall & Hall, 1987). Cultures that favour close personal relationships and have extensive information networks among colleagues, family, and friends are high context, such as Arabs and Japanese (Hall & Hall, 1987). Consequently, most daily activities does not require background information as these type of cultures stay up to date about everything to do with people that they consider important (Hall & Hall, 1987). Hall and Hall (1987) claim that cultures who separate themselves and stay discrete about every aspect of their lives are low context cultures, such as Americans and Germans. As a result, they find themselves in need of detailed background information when interacting with others (Hall & Hall, 1987). Hall and Hall (1987) argue that this difference in cultures will definitely affect each and every relationship if the two members were from the opposite sides of the scale.

Hofstede's Dimension

Hofstede is a psychologist that was working at IBM in the 1970s, and was able to create a statistically derived dimension model that was based on a data set from 64 nations and focused on measuring culture. Initially the results from the interviews were confusing and seemed meaningless, because Hofstede was focusing on an individual level. The breakthrough happened when the focus was shifted to the level of countries, and the correlation then

needed an entirely different interpretation. According to Hofstede (2011) the definition of cultures is “collective programming of the mind distinguishing the members of one group or category of people from others.” Furthermore, Hofstede (1986) argues that this “mental programming” is a way to obtain, order, and utilise concepts that represents a culture. Hofstede developed a model that consists of several dimensions that together make up every culture.

These dimensions are power distance, masculinity versus femininity, individualism versus collectivism, long versus short term orientation, indulgence versus restraint, and uncertainty avoidance. That said, each culture falls at a specific point within the spectrum of the dimensions. Hofstede (2011) notes that the concept of ‘culture’ could be changed based on the level of aggregation. Scholars argue that there are different types of cultures which are societal, national, organisational, and gender cultures, that are deeply embedded in humans’ brains compared to societal and occupational culture (Hofstede, 2011). According to Hofstede (2011) that societal culture exists in values, which means here the broad tendencies to favour states of affairs over others and it’s often unconscious. On the other hand, organisational culture exists in practices, which is the way individuals see what is happening in their organisational culture and it’s often conscious. In addition, Hofstede (1986) claims that individuals’ environment in which they grew up is what determines cognitive development. To clarify, if an individual has the occasion to do something that is important to them frequently, then they will be good at it (Hofstede, 1986). More to the point, studies have shown that individuals process information and complement it with guess work significantly different to others from different societies (Hofstede, 1986). Nevertheless, the Hofstede’s model is being used to analyse differences between cultures on a national level, because the majority of the population’s unconscious broad preferences are analysed at this level (Hofstede, 2015a).

Power Distance

Hofstede (2011) has defined power distance as the extent to which the less powerful members of organisations and institutions accept and expect that power is distributed unequally. Furthermore, scholars claim that all societies are unequal, but some will be more unequal than others. Also, Hofstede (2011) argues that power distance may suggest that leaders and followers equally endorse society’s level of inequality. Societies that accept high levels of power distance are hierarchal and each individual has their place with no justification (Hofstede, 2015b). For example, in a high power distance culture subordinates are expecting to be told what to do (Hofstede, 2011). In contrast, individuals in societies with low power distance try their best to maintain equality in the distribution of power and inequalities of power need to be justified (Hofstede, 2015b). For example, subordinates in a society with low power distance would be proactive.

Masculinity versus Femininity

According to Hofstede (2011) the masculinity versus femininity dimension at a societal level refers to the distribution of values between the genders. The masculine side of this dimension represents societies that prefer achievement, heroism, assertiveness and material rewards for success, in general the society is competitive (Hofstede, 2015b). For example, in a

masculine society both men and women are expected to be assertive and ambitious (Hofstede, 2011).

On the other hand, the feminine side of this dimension represents cooperation, modesty, caring for the quality of life and the weak (Hofstede, 2015b). For example, both men and women in a feminine society are expected to be modest and caring (Hofstede, 2011).

Individualism versus Collectivism

The third dimension the Hofstede added to his model was individualism versus collectivism. Hofstede (2011) claims that the collectivism side of the dimension measures the degree to which individuals in a society are united in groups. Furthermore, individuals in such societies that fall on the collective side are integrated strongly into groups that are often extended families that protects them, and in return the family expects unquestioned loyalty (Hofstede, 2015b). Moreover, societies that fall on the collectivism side prefer tightly-knit social framework, and individuals' self-image is defined as "We" (Hofstede, 2015b). For example, Hofstede (2011) argues that in societies that are collectivist maintaining harmony is a paramount. Its opposite, individualism, individuals in such societies are expected to look after themselves and their immediate families, and the reason is that ties between individuals are loose (Hofstede, 2011). In other words, individualist societies prefer loosely-knit social framework, and individuals' self-image in such societies is "I" (Hofstede, 2015b). For example, in individualism societies speaking one's mind is healthy even if it ruins harmony (Hofstede, 2011).

Long Term versus Short Term Orientation

Hofstede (2011) paper points out that societies that are at the long-term pole were found to be ordering relationships by status, cautious, and has a sense of shame. Furthermore, long term oriented societies are considered more pragmatic, and they take effort in contemporary education as they see it as preparation for the future (Hofstede, 2015b). For example, long term societies believe that good and evil depends on the circumstances (Hofstede, 2011). Nevertheless, societies that are considered to be short term oriented are usually reciprocating social obligations, respect for tradition, protecting one's face, and personal composure and stability (Hofstede, 2011). Also, short term oriented societies usually value traditions and norms even with the passage of time, they perceive societal change with suspicion (Hofstede, 2015b). For example, short term oriented societies believe that there are universal guidelines about what is considered good or bad (Hofstede, 2011).

Indulgence versus Restraint

Indulgence versus restraint is a fairly new dimension added to Hofstede's model recently. In this dimension indulgence refers to the society that allows unrestricted gratification of basic and natural human desires related to enjoying life and having fun (Hofstede, 2011).

For example, societies that are considered to be indulgent have higher importance for leisure (Hofstede, 2011). In contrast, it is shown that restraint refers to a society that suppresses or restricts indulgence of needs and regulates it by means of strict social norm (Hofstede, 2015b). For example, it's the exact opposite of indulged societies, where in restrained societies leisure has lower importance (Hofstede, 2011).

Uncertainty Avoidance

The final dimension that Geert Hofstede came up with and included in his model was uncertainty avoidance, which is concerned with society's tolerance for ambiguity. Hofstede (2011) claims that uncertainty avoidance indicates to what extent a culture programs its members to feel either uncomfortable or comfortable in unstructured situations. Hofstede (2011) carried on describing unstructured situations as novel, unknown, surprising, and different from usual situations. In addition, cultures that avoid uncertainty try to reduce the likelihood of such situations by harsh behavioural codes, laws and rules, disapproval of unusual opinions, and a belief in absolute truth (Hofstede, 2011). In other words, the fundamental concept is how society deals with the idea of the future always being unknown, do they try to control it or just let it happen (Hofstede, 2015b). To clarify, a society with a weak uncertainty avoidance are comfortable with ambiguity and chaos (Hofstede, 2011). On the other hand, societies that have strong uncertainty avoidance need clarity and structure (Hofstede, 2011).

Arabs versus Americans

Based on the previous segment, we can assume that each culture scores differently on each dimension. In addition, with the increasing phenomenon of hiring, developing, and retaining expatriates it is important to understand how different cultures could have different effects on a business. That said, individual's national culture is likely to influence their perception and reaction to the world (Ali & Azim, 1996). Consequently, an expatriate with a huge gap between their culture and the host country's culture is likely to struggle in adapting or adopting local values and customs (Atiyyah, 1996). More to the point, Ali and Azim (1996) claimed that expatriate and Arab managers working in the Arab Gulf area demonstrate different work orientation and satisfaction when compared with each other. For the sake of this essay, two very different cultures will be compared, which are Arabic and Americans to help illustrate how different cultures affect business decision. Cross-cultural research has shown that managers' different decision styles are dependent on the pattern of individual, cultural, and organisation characteristics (Ali, Taqi, & Krishnan, 2010). For example, Ali, Taqi, and Krishnan (2010) claimed that in a collective culture decision styles that maintain and reinforce consensus, such as consultative style, is valued and emphasised (Ali, Taqi, & Krishnan, 2010).

On the other hand, research shows that, decision styles that are serving an individual's interest are embraced in individualistic cultures (Ali, Taqi, & Krishnan, 2010). Furthermore, Arabs in general tend to be more collectivist due to Islamic teaching and Arab traditions that has group loyalty, respect for family members, and remaining humble while interacting with others as a paramount, which in turn affects employees and managers in organisations (Ali, Taqi, & Krishnan, 2010). However, local Arabs are afraid of the effects expatriates might inflict on their local culture and identity (Atiyyah, 1996). Furthermore, Ali, Taqi, and Krishnan (2010) study have shown that even with industrialization and economic prosperity traditional civilisations remain collectivist. Scholars have claimed that even if Arabic managers worked in other Arabic countries with different cultures, they still follow basic Arabic culture principles (Ali & Azim, 1996). That said, Taqi, Ali,

and Krishnan (2010) claim that Arab culture emphasises consultative and participative tendencies. Even though individuals would assume that an autocratic political atmosphere would create a conflict between the business communities and the political leaders, but on the contrary it supports them. (Ali, Taqi, & Krishnan, 2010). Furthermore, Arabs were found to emphasise consultation and they demand humility when dealing with others (Ali, Taqi, & Krishnan, 2010). Scholars have previously mentioned that due to different values, customs, language, and religion non-Arab expatriate find socializing really difficult (Atiyyah, 1996). Ali, Taqi, and Krishnan (2010) argue that if Arabs were to be treated with arrogance in any context, such as business, it could damage the relationships immensely if not end it completely. Nevertheless, a survey done in Kuwait showed that 60% of the 8,500 Kuwaitis they surveyed had limited and strictly business interactions with expatriates (Atiyyah, 1996). Furthermore, Ali and Azim (1996), which researched British and Indian managers in UAE, found that foreign expatriates expected a rational explanation for the decisions that have been made, which is not necessary in Arab work environment. Nevertheless, western highly-talented expatriates are paid the highest rates compared to other expatriates, but they struggle to adapt to the different managerial styles in host countries, such as authoritarian style (Atiyyah, 1996). More to the point, Atiyyah (1996) argues that the relationship between the expatriate's country and the host country will influence their adaptability to the host country's culture. The reason is that expatriates will fear having their visa or work permit revoked due to bilateral relationships deteriorating (Atiyyah, 1996). Also, a previous research has found that foreign expatriates struggle with subjective problems, such as personal relationships being more important than professional relationships (Ali & Azim, 1996). However, Atiyyah (1996) claims that in general western expatriates have the political relations, pay rate, and living conditions in their favour compared to Arab expatriates; Arab nationals' advantage is cultural continuity (Atiyyah, 1996). Expatriates that are coming from developing, non-Muslim, and non-Arabic countries have no advantages at all (Atiyyah, 1996). In addition, Ali and Azim (1996) claimed that foreign expatriates struggled with Arab managers' weak trust in theory and research, and with Arab managers' carelessness towards time. Atiyyah (1996) argues that the limited social interaction between the local Arabs and the expatriates causes homesickness and social isolation for the expatriates.

For the following segment the Geert Hofstede centre website will be used as a main source of information to help analyse Figure 1, which is a comparison graph between USA and Saudi Arabia. Regarding the first dimension in Hofstede's model, power distance, Saudi Arabia scored 95, which means the people accept being positioned in a hierarchy with no justification and subordinates expect to be told what to do. The USA scored 40 on power distance, which is less than half Saudi Arabia's score, which could mean that hierarchy might be present but the people require justification for their position and oppose inherent inequalities. Americans believe in liberty and justice for all, which is a strong emphasis on equal rights among the entire society. Furthermore, by referring to Figure 1 it is evident that Saudi Arabia is considered a collectivistic society compared to USA with a score of 25 and 91 respectively. In such community, loyalty is crucial for all members of that society and is stronger than any other rules or

regulations. However, in the American society they are considered individualistic with a score of 91. These types of cultures are known for looking only after themselves and their direct families, which reflects a great difference in perceptions between the two countries. Nevertheless, both Saudi Arabia and USA scored in the masculinity dimension 60 and 21 respectively. A score of 60 for Saudi Arabia means that the population is driven by success and achievement, which is defined by the winner or the best in the field. Analysing USA's score of 62 in masculinity in a very individualistic society means an American individual will thrive for their individual success. Furthermore, Saudi Arabia scored 80 on uncertainty avoidance, which means the society and their codes of behaviour and belief do not accept untraditional behaviour.

On the other hand, USA scored 46 on uncertainty avoidance, which means they are fairly open to trying new ideas or different ideas. Saudi Arabia scored 36 on long term orientation, which is a low score. Societies that score low on long term orientation tend to focus on short term results and have great respect for societies. Similarly, USA's score is considered low at 26, which means the American society also focuses on short term results. For example, companies in USA measure success on short term basis (The Hofstede Centre, 2015). For the 6th dimension, Indulgence, Saudi Arabia scored 52 which is according to the Hofstede Centre is an unclear preference. However, the USA scored 68, which shows that the American society tends to work really hard but also indulge themselves really hard when it is due.

To conclude, it is obvious that expatriates are becoming increasingly valuable with globalisation growing rapidly, and technology is allowing societies to interact from opposite sides of the world. However, to be a valuable expatriate to the organisation the employee has to be cross culturally adjusted and not allow cross cultural issues to limit their abilities. Also, an expatriate that understands the difference between high and low context cultures and what dimensions make up a cultural helps them find a suitable approach to people from different cultures. Also, understanding the differences could allow an individual to think of a new way to interact with employees from different backgrounds. Finally, many differences were found by comparing the American culture versus the Saudi Arabian one and the only similarity in the two cultures is how competitive they are. However, the other five main dimensions that make each culture are almost opposite to each other, which helps explaining why American expatriates struggle to adjust in Saudi Arabia.

References

- Ali, A. J., & Azim, A. (1996). A Cross-national Perspective on Managerial Problems in Non-Western Country. *The Journal of Psychology*, 165-172.
- Ali, A. J., Azim, A. A., & Krishnan, K. S. (1995). Expatriates and host country nationals: managerial values and decision styles. *Leadership & Organization Development Journal*, 27-34.
- Ali, A. J., Taqi, A. A., & Krishnan, K. (2010). Individualism, Collectivism, and Decision Styles of Managers in Kuwait. *The Journal of Social Psychology*, 629-637.

- Atiyah, H. S. (1996). Expatriate Acculturation in Arab Gulf Countries. *Journal of Management Development*, 37-47.
- Bhuiyan, S. N., Al-Shammari, E. S., & Jefri, O. A. (2001). Work-Related attitudes and Job Characteristics of Expatriates in Saudi Arabia. *Thunderbird International Business Review*, 21-31.
- Caligiuri, P. M. (2000). Selecting Expatriates for Personality Characteristics: A Moderating Effect of Personality on the Relationship Between Host National Contact and Cross-cultural Adjustment. *Management International Review*, 61-80.
- Hall, E. T., & Hall, M. R. (1987). *Hidden Differences: Doing Business with the Japanese*. New York.
- Hofstede, G. (1986). Cultural Differences in Teaching and Learning. *International Journal of Intercultural Relations*, 301-320.
- Hofstede, G. (2011). Dimensionalizing Cultures: The Hofstede Model in Context. *Online Readings in Psychology and Culture*, 1-26.
- Hofstede, G. (2015a, June 12). *Culture*. Retrieved from Geert Hofstede: <http://geerthofstede.eu/culture>
- Hofstede, G. (2015b, June 7). *National Culture*. Retrieved from The Hofstede Centre: <http://geert-hofstede.com/national-culture.html>
- The Hofstede Centre. (2015, June 13). *Cultural Tools: Country Comparison*. Retrieved from Geert Hofstede: <http://geert-hofstede.com/countries.html>
- Yousef, D. A. (1998). Satisfaction with job security as a predictor of organizational commitment and job performance in multicultural environment. *International Journal of Manpower*, 184-194.