ABSTRACT
Recently, the UAE has witnessed an increase of foreign direct investments in the construction industry sector. Hence cross-cultural business communication, marketing, and management have gained important dimensions not only due to interaction with foreign cultures but also because the workforce within their national borders is becoming more and more culturally and ethnically diverse. In the present scenario, effective cross-cultural management has become essential for the success of business relationships. Academics have studied the impact of cross-cultures in business in general. However, there is hardly any study examining Arabic culture interacting with other cultures due to changes in the market place. Therefore, this paper attempts to review the existing literature in order to analyse its gaps, and propose a theoretical framework (figure 1) that would lead to a better understanding of effective marketing strategies to bridge the gap between different cultures and study their impact on business dimensions and relationships in the UAE.

KEYWORDS: Cross-Culture, Business-Relationship Marketing, Construction.
INTRODUCTION

Doing business and marketing in a global environment has its own challenges. When people from distinct national cultures interact with each other, they are confronted with unfamiliar interaction patterns and communication styles, different business goals and logics, all of which may be difficult to deal with or interpret. The concept of management and communication across cultures and its impact on global marketing has generated a lot of interest amongst scholars. Hofstede (1995) aptly says that “the business of international business is culture”. This paper aims to explore the different theories proposed by the scholars relating to culture, cross-cultural management, cross-cultural communication and in particular business relationship marketing in the construction industry in the UAE. In this country, “relationships and mutual trust are paramount for any successful business interaction and can only be developed through face-to-face meetings. It is important to spend time with your Emirati business counterparts and ensure future meetings take place to continue cultivating the relationship” as advised by Communicaid (2007).

The recent years have seen a phenomenal growth in the volume of international trade. Multinational corporations have more than half of their sales in foreign markets. Similarly, foreign investment has risen around the globe. Hence cross-cultural business communication, marketing, and management have gained important dimensions not only due to interaction with foreign cultures but also because the workforce within their national borders is becoming more and more culturally and ethnically diverse. Although a lot of scholars have produced a lot of valuable work on cross-cultural management, communication, and marketing, they seem to agree that most of the studies have been western-oriented or mostly produced and generally validated according to the western standards. As a result, significant gaps still exist and there are areas that have not been covered by the scholars. To the knowledge of researcher, there are no published research works in cross-cultural relationship marketing studies in the Arab world and few are directly related to the subject area and the U.A.E (Abbas et al., 1995; Darwish, 1977 and 2001). Therefore, this study will draw concepts from management and marketing. Thus, this paper attempts to review the literature review, analyse its gaps, and propose a theoretical framework (figure 1) that would lead to a better understanding and recognition of differences in communication style, business expectations, approaches, and the regularities of these culturally-determined differences, with particular reference to the U.A.E.

CONCEPTUAL FRAMEWORK DEVELOPMENT

The concept of culture has always generated a lot of interest amongst scholars. In the global age, understanding the domain of culture becomes even more important to have effective cross-cultural communication and management. Although, it still remains “a fuzzy, difficult-to-define construct” (Triandis et al., 1986, p. 43), many scholars have tried to define it. Understanding national cultures is important for scholars of marketing and management. Scholars have emphasized the importance of recognize national cultures. The failure to take national differences between countries into account has been the cause of many business failures (Ricks, 1983). The literature review on marketing shows that many of the marketing theories have been developed in the Western countries, particularly in the USA. Hence these theories are a reflection of the culture in which they were developed. Scholars like Hofstede (1980) believe that the management approaches developed in one particular culture have not been deemed valid for any other culture. Jackson (1995) emphasizes that management, as an
academic subject, is essentially North American in origin, and in many of its assumptions. A large number of scholars such as Hofstede (1980), Laurent (1986), Jackson (1995), Alpander and Carter (1995), and Evans et al (1995) seem to agree that the implementation of management development activities or the evaluation of existing activities, in different cultures must be undertaken with an understanding of the underlying traditions and values of that culture. These scholars emphasize that management development must be adapted to the requirements of local culture and managerial style.

Cross-cultural communication and management becomes even more substantial in a cross-cultural business-to-business environment. In a B2B setting, suppliers and/or service providers need to understand the nature and circumstances of their buyers because of the unique characteristics of the customers acting as organizations. In general cases, developing individual relationship with buyers helps in achieving a high level of profitability. The objective in relationship marketing is to establish, maintain and enhance the relationship at a profit so that the objectives of both parties are met (Grönroos, 1994). The buyer has to make decisions whether a relationship should be established (first time purchase), or it should be continued (repurchase), and if a relationship should be enhanced in scope (increase commitment with the supplier). Buyers are likely to have expectations towards the supplier regarding their competence, communication, commitment, and conflict handling, and these are likely to affect trust ad communication.

Scholars like Williams et al (1998) believe that the process of interpersonal orientation or bonding helps in understanding buyer-seller relationships, and Wilson and Moller (1988) identify it as an important concept for examining the performance of business relationships between countries. Dwyer et al (1987) and Pfeffer and Salancik (1978) believe that in the development of social bonding, personal factors such as trust or satisfaction with the relationship partner play an important role in making the relationship more binding, stable, and predictable. Jackson (1985) suggests that the personal representatives of the seller may give an indication to the buyer about important business values, and that the personal relationship may be the best available evidence that the representative is interested and committed enough to provide that value.

Literature review suggests that the existing literature is mainly concerned with relationships involving parties within single cultural domains and lacks conceptualization beyond borders; there is a need to develop a framework to address the gap in the literature by introducing the moderating role of national culture dimensions in business relationships in an international context. The proposed study would aim to examine the management approaches to communication and marketing adopted by the international businesses in the UAE setting and the extent to which they remain parochial.

In terms of the U.A.E, there are still many areas that need to be examined in terms of brand building strategies, customer retention, issues of self-concept and self image, customer loyalty, satisfaction, and market entry strategies used by global companies. There is a genuine need to be prepared for and recognize differences in communication style, business expectations, and work behaviour.
RESEARCH METHODOLOGY

Based on a systematic review of key studies, the study has attempted to generate a conceptual framework. Therefore, this paper is expected to discuss the evolving conceptual framework of cross-cultural study of business relationships relating to the construction industry in the UAE.

Moreover, it is important to note that this study is a “work-in-progress” and intend to present the preliminary findings of its qualitative investigation at the conference. It also aims to highlight a mixed approach which is selected for the whole research project. More importantly, the authors highlight the key difficulties and challenges faced by one of the researchers, i.e., a woman researcher.

Construction and the built environment draw a wide variety of established subjects/disciplines, including natural science, social science, engineering and management. These are then applied to the particular built environment context and requirements (Fellows & Liu, 1997). Due to the nature of this research topic and as previous qualitative research carried out in Arab countries (Hill et al, 1998), this one will have its challenges. Moreover, as the main researcher is a woman from the UAE, she is expected to overcome barriers of research access to construction companies and senior managers. The research methodology for the proposed study is mixed (or balanced) approach. This emphasis has developed with the growing attention focused on “Triangulation” in research (Yin, 1994). Triangulation is the combination of methodologies in the study of the same phenomena. The weakness in each single method will be compensated by the counter-balancing strengths of another. It combines multiple observes, theoretical perspectives and methodologies. This is very powerful for gaining insights and results, and for assisting in making inferences and in drawing conclusions (Fellows and Liu, 1997).

The first phase comprises qualitative research that would be based on in-depth interviews with 20 senior managers of construction companies in Abu Dhabi and Dubai, UAE. This exploratory phase aims to identify the key determinants of national and organizational culture as well as cross-cultural issues. It also helps understand the influences of these key determinants on business relationships. It is to note that both phases involve around examining the buyer-seller relationships and interactions of the different construction companies (from foreign cultures) with the local environment. However, after conducting 10 interviews, analyzed that the managers avoided comments on cultural conflicts and focused on their own issues with the UAE government. From the initial experience, it appears that the construction industry is one of a sensitive area to do research on and in particular when it touches the “cultural” aspects. Moreover, the interviews have been carried out by the researcher (a lady) which raised further barriers to research access to construction companies. No doubt, the sensitivity of the topic and the gender of the researcher have made the respondents less ready to open up and discuss key issues related to the topic under investigation. It has long been recognized that purely qualitative research may neglect the social and cultural construction of the variables studied (Richards and Richards, 1994).

Consequently, in order to fill this gap, another research strategy was used that is case studies in built environment research. This strategy is done by interviewing many individuals concerned in a particular project. Three main case studies will be conducted, a mini case, medium-size and a large size case study. It focuses on understanding the dynamics present within single settings (Arnaratunga and Baldry, 2000). Case studies are tailor-made for
exploring new processes or behaviors or those which are little understood and gain an insight into behavior and attempts to discover unique features and common traits shared by all persons in a given classification.

One of the objectives of this research is to investigate the current status of Long-term business relationship practice in the UAE construction industry. Bennett et al. (1987) argue that the great success of the Japanese building industry depends on long-term relationships. While the practice of long-term relationship is very common in Japan and its benefits are widely acknowledged in practice and literature, it is not generally considered so in the UK. As a consequence, an opportunity that LTR could offer seems missing in the UK construction industry (Haksever et al., 1995). It would analyze whether LTR is present and not just limiting it between the contractors and the subcontractors, but also the study could be extended to analyze LTR between the managers and the workers.

From the results of qualitative investigation, a questionnaire would be designed and where emerging issues and concepts will be included in the questionnaire. It is also intended to use an online questionnaire. The study will be using SPSS package for statistical analysis and testing the generated hypotheses. Hence in part two of the research, the quantitative survey of a cross-section of managers from different types of construction companies would bring forth the different perspectives and fill all possible gaps.

**ANALYSIS AND FINDINGS**

As the majority of the workforce in the U.A.E consists of the expatriates, this study aims to study relationships; both within the company and relationship of the company with its clients. The typical clients for a construction company may be owners, consultants, contractors, or subcontractors. Establishing a relationship is not only with a client (contractor-consultant, contractor-sub contractor, contractor-owner, contractor-supplier, sub contractor-supplier or contractor-the local construction governing bodies such as the municipality, ministry of labour, etc) but it may also imply establishing a relationship or inter-personal bonding within the company between the workers / employees from different cultures.

Ten in-depth interviews with managers of construction companies and five in-depth interviews of people involved with a single construction project (owner, consultant, contractor, foreman and a worker) were undertaken. Recognising the importance of the key elements, process and stages of relationships, this section attempts to give a coherent and in-depth analysis of empirical data description of the relationships of the construction companies. This section also outlines the key determinants of diverse cultural relationships and conflicts.

From the qualitative research findings, questions and objectives were used to explain the statement of the research problem and demonstrate from the empirical data generated, the study hypotheses formulated. In an endeavor carried out the tasks, importance is given to identifying the elements of relationships, conflict, current practices of diverse cultures management and the emerging issues.

Following the description of Levinson (Levinson 1994), who defines conflict as “a dispute between two or more individuals or groups over access to or control of resources,” and includes economic, political (power, leadership), social (prestige or status), and personal
esteem in the definition of resources, the researcher makes an endeavour to understand the types of conflict in the U.A.E construction industry.

Initially, during stage one of qualitative research, the respondents refused to acknowledge a direct question about conflict. Their immediate reaction to the question was that there were absolutely no conflicts at all. After the first few interviews, the researcher prepared to get more out of them by rephrasing the questions and involving the respondents in discussions. When the respondents were comfortable with the researcher discussing about their role and how they dealt a particular situation, more information started coming out.

Stage one of qualitative research discovered the following styles defined by Levinson (1994) of handling interpersonal cross-cultural conflict through avoidance and withdrawal and Conflict Resolution. Moreover, suggests that the causes of conflict and the lack of management skills to combat conflict, lead to the termination of contracts or relationships. It would be an interesting study to explore further for the causes that lead to termination of contracts or relationships. The construction industry in the U.A.E is an industry where people involved are always in direct contact with people of other cultures. However, none of the respondents under study in stage one seemed to have access to any concrete management approaches for diverse cultures management. This section would present the management styles practiced in the U.A.E observed during stage one. Stage two will further clarify the study and make it more concrete. From the analysis, the researcher reviewed and illustrated the key constructs of the thesis from the conceptual framework. Hence, more research is needed in this area which will be done through quantitative research method.

CONCLUSIONS

This is an exploratory study, which attempts to produce a conceptual framework where suppliers and buyers business relationships in the construction industry are examined. From a systematic review of key literature a theoretical framework has bee generated and the intended mixed approach for the research project is explained.

REFERENCES


Figure 1: Theoretical Framework for proposed study

Culture 1 (Seller)

Cross-cultural Communication

Organizational Management

Cross-cultural business communication

Cross-cultural Management

Bonding

Trust

Satisfaction

Commitment

Conflict handling

B2B Marketing

Culture 2 (Buyer)

Source: Original