The impact of culture on globalisation and role of women in management: the case of the Iranian hotel Industry[1]

Key words *Women, Iran, Globalisation, culture, Islam.*

Introduction:

Globalisation manifests in three main dimensions; economic, cultural and political (Martin and Shademan Pajouh, 2011). It has become a contentious political and economic issue changing the way people live and work (Martin, 2013). Whilst it is true that 'globalisation' is 'everywhere' the extent of its impact varies between countries, and Iran is a good example of a country which has generally been less exposed to the globalisation process. Globalisation naturally affects some industries more than others and one aspect of Iran exposed to globalisation is its tourist industry. Although Iran has tremendous heritage, its tourism sector has not fully benefitted as such, due to Iran's relationship with the West, its location in a region of ongoing tension and conflict, as well as negative media coverage of the country. There is almost no literature on the impact of globalisation in Iran (Pawan, 2001; Namazie, 2007), but it seems wholly unlikely that a country like Iran, could be unaffected by globalisation (Dastmalchian, 2001).This study considers the role of women in senior management in the Iranian hotel sector against the backdrop of globalisation.

LITERATURE REVIEW

Globalisation

Globalisation plays an important role in a fast moving and multi-faceted world. It has brought about dramatic changes in the ways people live and work, transforming societies along the way opening up new opportunities but also creating new risks (Tayeb, 2000; Morrison, 2002; Johnson & Turner, 2003; Martin, 2001; Parekh 2005; Randolph, 2007). Globalisation is best defined by way of its impact (Johnson & Turner, 2003; Bagchi, 2007). Bhagwati (2005), defines economic globalisation as constituting integration of national economies. Along with the rapid growth of economic globalisation, the role of women in some societies has been significantly changing (Ashwin 2000; Kiblitskaya 2000; Adler 2002).

The historical perspective and the role of women in Iran

Iran has seen many changes in its social, economic and political make up. It has witnessed two revolutions; the last one changed its regime from a monarchy to a republic, and soon after an eight year war with Iraq. The Islamic revolution had profound implications for the economy and cultural fabric of society. Its banks were nationalised and foreign participation in the financial sector was terminated. Later, in 1984, the banking sector became subject to Islamic rules, and all organisations were required to conform to Islamic laws and regulations (Budwar and Yaw. Debrah. 2001).In relation to the role of women, Paidar (2001) concludes that women played a key role in keeping alive the spirit of resistance against the suppression of democracy and human rights during the politically difficult decade of the 1980s. In the 1990s, women continued to play an important role in bringing about the first elected Islamic reformist government in Iran. Since then, women have faced the challenge of creating a feminist space within a democratization movement that tends to marginalise gender issues and the women's movement. In Iran women have to follow a strict Islamic dress code at work, and indeed elsewhere. However, unlike Arab women Iranian women are doing well in many spheres of public life. Some 95 per cent of young girls go to primary school. Older girls have a smaller chance than boys of getting higher education, but the gap is closing. Girls are doing well in technical schools, colleges and universities. Women can go into most jobs and professions. They can stand for Parliamentary elections and there are many women members of parliament (Tayeb, 1997).

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Culture and work values in Iran

Cross cultural studies generally investigate the influence of culture on organisations, but not the cultural settings of the organisations concerned and therefore fail to appreciate the differences between organisations in two or more countries. Gender differences are not usually described in term of cultures. However, within each society there is a men's culture which differs from a women's culture, which explains why it is difficult to change traditional gender roles. Women are not considered suitable for jobs traditionally filled by men, not because they are technically unable to perform them, but because women do not carry the symbols of images nor participate in rituals that foster the values dominant in the men's culture and visa versa. Such gender demarcations are of the same order of intensity as the reactions of people exposed to foreign cultures (Hofstede, 1991). Recently, gender-based studies have attempted to highlight the role of females in the global business word (Adler 1983,2002; Emrich et al. 2004; McGauran 2001; Culpan and wright 2002; Napier and Taylor 2002; Taylor et al. 2002).

Previous studies indicate that Western-based cultural studies have not been able to address the values of non-Western nations correctly or are non-adaptable in the current social-economic conditions of emerging economies (Budhwar and Debrah 2004; Hartog 2004; Hang-Yue, Foley and Loi 2006; Woldu et al. 2006; Budhwar and Woldu, 2011). There have been a number of studies of work values in post-revolutionary Iran (Bani-Asadi, 1984; Mortazavi and Karimi, 1990; Mortazavi and Salehi, 1992; Latifi, 1997) and a consistent finding is that employees see their managers in familial terms, as a sympathetic older brother or sister. Iranian managers are thus seen in a role of mentor, coach, adviser or teacher. Latifi (1997) found that Iranian managers preferred face-to-face, verbal communication with their subordinates, a style which is consistent with the paternalistic and collectivist culture of Iran (Hofstede, 2001; Tayeb, 2001).

What is clear is that organisation and their employees do not live in an isolated environment, separated from their social surroundings. National culture can be as a start point for understanding values, attitudes, and behaviours, includes also those which relevant to work and organization. These are carried into the workplace, as part of the employees' 'cultural baggage' including gender equality nation (Hofstede, 1980; Tayeb, 1988; Tayeb, 1997;Wiener,1981;Moghadam, 1988). Against the backdrop of globalisation modern complex societies are serviced by institutions that are purely internal or external and even supranational. (Tayeb, 2005).

Islamic values in the Iranian work environment

Islamic values have clearly been an influence on Iranian culture over centuries, but since 1979, the Iranian government has taken steps to create a more conservative, religious based culture, such that Islam in Iran became more clearly a way of life, not just a religion (Namazie and Frame, 2007). Therefore, we might expect Iranian managers' values would be now more aligned with the strongly religious values and attitudes that were encouraged after the revolution, especially in government organisations. To test this assumption, Ali and Amirshahi (2002) sought to identify those work values which were most important for managers, examining whether factors such as managerial experience, size of the organisation, and education level did influence the work values of Iranian managers. Before the revolution, the assumption was that most managers were individualistic and motivated by personal achievement but after two decades of Islamic principles and rule, they speculate that managers' values may have changed and become more collectivist. Their survey examined two general categories of human values: "outer-directed" values (submissiveness to authority, conformist behaviour, low tolerance for ambiguity, and high need for affiliation) and "inner-directed values" (aggression, selfishness, impulsiveness, egocentrism, materialism, expressiveness, and high tolerance for differences). Their results showed the strong influence of Islamic values following the revolution, and also that Iranian managers were found to be similar to their counterparts in Arab states, consistent with Tayeb's (1997) analysis of the impact on HRM of Islamic revival in Asia (Alavi and Yasin, 2003).

 The cultural influence of Islam in Iran appears very broad, with Alavi and Yasin noting that "the conformist orientation (little tolerance for ambiguity, need for structure, willingness to

sacrifice for the good of society) dominates the value profile of Iranian managers, regardless of their specific position, experience, and age" (2003:149). The study indicated that managers' values are relatively collectivistic both inside and outside of the workplace.

Iranian management style

Any management practice is developed within a specific cultural context, and its potential usefulness in any other cultural context has to be treated as a matter for empirical verification (Tayeb, 2001; Namazie, 2003, 2007; Yeganeh and Su, 2008; Shademan Pajouh and Blenkinsopp). The literature on Iranian management styles after revolution is rather sparse. The major work in this area has been undertaken by Javidan and Dastmalchian (Javidan , 1996, Javidan & Dastmalchian, 1995; Dastmalchian & Javidan, 1998) based on their survey of Iranian executives. They found the concepts of visionary and high commitment leadership as developed by such authors as Kotter (1988), Conger (1989), and Tichy and Devanna (1986) was confirmed within the Iranian sample, indicating that the Iranian view of a leader is one who has a mental map, shares a new paradigm, has a global outlook, is enthusiastic about and dedicated to his/her vision, and is a credible communicator (Dastmalchian, Javidan& Alam, 2001). Hence, the desired elements of an Iranian leader should facilitate global input into management styles in Iran. The Iranian management style is a combination of traditional, Western and Islamic, and the transferability of HRM practices and policies are likely to be significantly affected by the compatibility of management style (Latifi, 2005).

Methodology

The research is a case study, with data being gathered through semi-structured interviews with senior, middle level managers and staff at the firm's HQ and in different regions. The case study firm is an Iranian hotel company. The difficulties of gaining access to Iranian organisations has been identified as a major barrier to management research in Iran (Tayeb, 1997, 1998; Namazie, 2003), and we were therefore grateful to the firm for facilitating considerable access. Respecting their confidence in us, given the potential sensitivity of the data, we will refer to the firm simply as HotelCo.

The empirical data are based on observation and semi-structured interviews undertaken in 2011-2012.Overall fifty participants were interviewed. The gender split of the participants was twenty women and thirty men, which reflects the gender profile of the management structure of the organisation. Respondents were assured of anonymity and confidentiality, which is particularly important in the Iranian context.

Findings

We began by looking at how their plans for more (and more globally influenced) training had been implemented. One of the first steps had been to send 9 mid-level managers from four different branches of HotelCo to Austria for a short course in Hotel Management. Out of the 9 mid-level managers, 2 were female.

There is significant investment by HotelCo in female staff training especially in front office and sales and marketing, where previously front office and housekeeping were the most common areas for recruiting female staff. The current policy for employee selection is absolutely equal between men and women. In our interviews we learned that there is a significant effect on the period of maternity leave taken by staff because they do not feel any job security and therefore they return to work as soon as possible to be able to secure their job.Our study also indicated that with regard to remuneration, there is no discrimination based on gender and wage, everyone are equal when it comes to salary.Although there is great formal encouragement for creativity, we felt the opposite when we interviewed female middle managers who commented on the difficulty of encouraging innovation in a culture where 'females need to prove that they are not in management post by mistake and are capable of making decision.' In relation to problem solving, the findings show a gap between female senior managers and male staff. This gap can be seen when the senior manager is female, communication became more difficult because men do not feel comfortable to talk to the female manager. There is also a very high level of insecurity even among senior management. From staff point of view female managers avoid conflict, having a very soft

approach to the point that sometimes it appears that they are not willing to face problems and in general senior female managers face greater difficulties in more religious regions.

Discussion and conclusion

Our findings provide clear evidence of efforts on the part of HotelCo to engage more effectively with globalisation. Due to its isolation Iranian management practices have not evolved with time. Iranian female managers generally lack experience of working in international settings, and many industries which could have benefitted greatly from globalisation have been neglected. However, for HotelCo, there was an appreciation of the importance of the role of females in senior management from the time that we began studying this company in 2005 and ever since.

The difficulties experienced by HotelCo in trying to import management practices into Iran were one of the most surprising findings of the study. What surprised us was that female staff questioned the appropriateness of a female duty manager. Even customers were perceived to have issues dealing with a female duty manager. This position arises from deeply rooted Iranian cultural practice where men generally show restraint when speaking with or in a company of women. In this regard, it would be considered inappropriate for a man to get angry when dealing with a female duty manager. This is a clear indication that notwithstanding globalization, it has not been able to influence cultural practice sufficiently to change the perception of the role of the woman in the work place.

Recommendations

Findings suggest that there is much improvement in relation to Iran trying to come out of isolation and most of its aspirations have now become concrete plans with the company trying to improve the quality in training and their services to manage and cope with global challenges but there are some issues which need to be addressed. First of all it is necessary to use experienced managers for training new energetic young managers especially females. There is a gap between staff and managers, and we felt this gap increases when there is a difference in gender. Understanding the fact that there is a big difference between Western and Iran approaches of dealing with management styles and any style or theory comes from the West, which requires modification to take into consideration of the Iranian dimension. The company needs to work on the perception of their customers in relation to female managers especially in the higher levels such as duty manager and general manager.

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