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Internal Constraints on the process of Industrialisation in Gaza

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Abstract

This paper examines the internal constraints on Gaza's manufacturing sector during the Israeli occupation. Manufacturing development was constrained by the Israeli occupation, but the authors chose to look at the situation from Gaza's point of view, and examine the attitudes and the effects of the lack of industrial experience on manufacturing.

Internal constraints include the 'lack of an adequate skills base', 'a misunderstanding and distrust of marketing', 'unsophisticated attitudes towards finance and the value of time', 'price being seen as more important than quality' and 'authoritarian attitudes to management practice'. Local education and training are struggling to remedy aspects of this situation but they presently lack the resources.

There was a widespread lack of understanding of the concept of a company as a separate entity.

1. Introduction

We write against the backdrop of a country struggling to turn away from violence and nervous about the future. Solutions to the problems facing Gaza in any attempt to build her industrial base requires a partnership between the public institutions and private initiative. Currently, economic autonomy in Gaza is very limited, Palestine is not yet a state and Gaza is not a country so there is little sovereignty over their politico-economic situation. The Palestinian National Authority (PNA) is very much concerned with the political agenda, economic planning in the face of an uncertain future can do little more than deal with day-to-day issues. Regulations by the Israeli authorities imply that they know the way in which the private industries should develop, but the ways the public authorities have chosen to act are not the ways which the private companies would have chosen if the regulatory body had not intervened.

The characteristics of manufacturing industries in Gaza during the Israeli occupation (1967-1994) was very similar to the pre-1967 period. Despite an increase in the contribution of industry to Gaza's GDP during the period under review from 4.4 per cent in 1966 (Arkadie, 1977) to 11 per cent in 1992 (World Bank, 1993) and a considerable increase in the number of establishments from 769 (1966) to 1,711 in 1992, (SAI, 1993), the manufacturing industry failed to expand beyond its traditional boundaries. In short, the expansion of the manufacturing sector was horizontal, based on the existing products and methods of production, (Roy, 1987). An industry dominated by small-scale establishments, mainly producing household consumer goods. In 1992, 91 per cent of the manufacturing establishments were employing 10 persons or less (SAI, 1993). In addition, between 1980 and 1986 the average annual industrial productivity of Gaza was well below the figures for the West Bank and Israel, (\$2,531, \$3,191 and \$14,016 respectively). Gaza's Industrial production was primarily focused

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on clothing, wood products, food, textiles and metal products (Union of Industrialists-Gaza, 1993).

The external constraints and regulations on Gaza's manufacturing industries during the Israeli occupation are reasonably well understood and Israeli policies in Gaza have significantly contributed to the underdevelopment of Gaza's manufacturing sector. There are however internal constraints facing Gaza's manufacturing sector and these constraints have also contributed to the lack of manufacturing development in Gaza during the period 1967-1994. While many will argue that the internal constraints pale before the scale of the external problems facing Gaza, they need to be addressed; the re-growth of any economy is ultimately dependent on the will of the people to grasp the nettle and make inroads into the heart of the problems facing them.

There are many different starting points to choose from, education, training, government help, incentives and so on. In this paper we examine the internal constraints of Gaza's manufacturing by looking at the local industrialists and entrepreneurs, their attitudes, level of experience in industrial production, marketing and management. To date there have been plenty of discussions, but no examination, of these factors and their impact on Gaza's manufacturing sector.

The study employs both primary and secondary data collected in the following manner:

1) Conducting interviews with local businessmen who own and manage factories employing 10+ persons in the four main cities in the Gaza Strip. In addition, interviews were conducted with university and ministerial personnel concerned with the economic development of the territory, in order to benefit from their experience, understanding and evaluation of the economic activities in the Gaza Strip. These interviews were conducted between 25th September 1996 and the 5th June 1997.

2) Questionnaires were distributed covering 97 manufacturing establishments, of different sizes, carried out specifically for the research. The questionnaires were close ended. They were randomly distributed in March and April 1994. One of the critical problems the authors encountered during the fieldwork was securing a list of companies' names and addresses. This is because the manufacturing establishments have grown randomly and there is no town planning. In an attempt to secure names, addresses, sizes and types of the manufacturing establishments, targeted in the fieldwork, visits were devoted to the Union of Industrialists and the Palestinian Chamber of Commerce in the Gaza Strip. Unfortunately, they have scant idea of industrial activities in Gaza. (See the Appendix at the end of this paper for a summary of the basic data on the manufacturing establishments in the survey).

3) It was the aim of the authors to use the Israeli statistics as an indicator only because of lack of reliability (Bevinisti, 1986). This source was used because of the absence of other sources of information.

4) Personal Observations: One of the authors had the opportunity to observe and discuss with managers their firm's problems.

For our starting point we have classified the internal constraints facing the manufacturing industries along the following lines, looking in particular at the problems due to :

- i) the location of the manufacturing firm;
- ii) the lack of skills in the labour force;
- iii) the problems surrounding the buying of raw materials for manufacturing;
 - d) the financial problems;
 - e) the purchasing of machinery and equipment;
 - f) maintenance problems;

- g) Gaza's production quality;
- h) marketing of Gaza's manufactures;
- i) management practices in the Gaza Strip.

2. The Location of the Manufacturing Firm

If we take Hunter's (1983) view, then any investigation of a potential location should take into consideration six factors, 1) Obviously the size of the building or site needs to accommodate present requirements but in addition, it should have sufficient additional space for the forecasts of future growth; 2) Essentially, the infrastructure needs to be in place, otherwise, if the company is located on a virgin site, the company will have to pay a substantial sum to organise the provision of services; 3) The type of product influences the location of the establishment. For example, a chemical industry which may cause environmental problems needs to have a much wider understanding of the impact it may have on the surrounding area; 4) Machinery for production and materials handling may also have a large bearing on plant location; 5) The required labour force, this includes the availability of skills required both for immediate and future needs; and 6) The closeness to, and the availability of, the raw materials, and the distribution channels for the products.

The field work in this study showed that in considering location, only 6.2 % of Gaza's manufacturing firms were based on their proximity to the market (see Table 1).

The location of 41.2 % were based on the availability of amenities and services, and the majority, 52.6 %, were dictated by the availability of buildings. It would be easy for us to reflect on the other significant factors which should be considered when deciding on the establishment's location, but it appears that for many business people, making a rational choice does not come into the picture as opportunities are seized and then the attempt is to make the best of the situation. As a result, the site size of the majority of the manufacturing firms is not suitable for future growth (Moamer; Ismail; Rayes; Halabi: Interviews, 1997). In addition, many experts claim that the sizes of many of the establishments are not even suitable for present needs let alone future growth, (Interviews, 1997). During several field visits paid to various industrial establishments in Gaza, it was noticed that it was often the case that there was no formal office or quiet room for management. Negotiations and transactions with suppliers or buyers are done in the street or in a noisy environment, this is partly explained by the fact that 52.6% of the buildings were not built for the industries they housed. During interviews with managers in the town of Khan Younis, in the clothing and shoe manufacturing area, (Interviews, 1994) it was admitted by many that they had not been wise in choosing their establishments' present location. They complained that the skilled labourers they needed, existed in other cities e.g. the city of Gaza. This situation was noted by the Policy Research Incorporated report (1992) which pointed out that the main reason for plant location in the occupied territories was because of its nearness to one's residence and not because of it being an economically appropriate site. This problem is related to the fact that the majority of Gaza's manufacturing establishments (80.4%) had never conducted feasibility studies (Table 2). As Ismail commented :

‘‘Feasibility study’ is a new term in Gaza. It was hardly used before 1985, therefore all the establishments before this date were established without any drawn up plans. In addition, most of the firms who did conduct feasibility studies after 1985 never actually used them as blueprints. They conducted the feasibility studies as an issue which they associated with prestige, or because they were forced to carry them out in order to get loans from aid agencies.’

Ismail; Interview, 1997

Several other examples were mentioned by experts (Interviews, 1997) to demonstrate the poor investment decisions made by Gaza's entrepreneurs due in part to lack of feasibility studies. For example, Ismail mentioned two cases: 1) A biscuit manufacturing plant established in the late 1980s, which used second hand machinery imported from Israel. According to Ismail, one day's production was sufficient to cover Gaza's needs for 6 months. Consequently, the factory had to close down because the running costs, in particular labour and power, were too high for the limited market; and 2) Another biscuit enterprise was established in the early 1990s, and while the building and machinery were of high standard, the working capital was too small for the business to operate.

In addition, Rayes (Interview, 1997) commented on the issue of planning and investment in Gaza by saying that, "most of the problems facing Gaza's manufacturing sector were attributed to the question as to whether the enterprise should exist or not," because of the fierce competition, low product quality and limited market size. Poor location and inadequate market size are indications of lack of industrial experience.

3. Skilled Labour Force

To the authors' knowledge, there are no official figures on the number of Gaza's skilled labour force. Nor indeed are there numbers for those who have attended training programmes in management, production, computing or design, all of which are crucial skills for domestic industries. What we do have is data on the years of schooling. For example, only 24% of Gaza's labour force (35,460 persons) had attended 14+ years of schooling in 1989 (Okasha, 1990).

A recent survey conducted by Nofal (1997) on Gaza's wood products establishments revealed that about 77.5% of their labour force is either illiterate or nearly so, (the field work for this study was conducted at the end of 1996 on 30 establishments). Only 22.5% of the labour force in the manufacturing sector had attained secondary level of education or higher.

A manager of a plastic establishment emphasised the problem of shortage of skills:

'Shortage of skilled labour is always a problem. We cannot compete with the job opportunities inside Israel, because the wages there are much higher than for Gaza's manufacturing sector. Moreover, before the technicians join the company, they usually place a precondition that they will work with the company on a temporary basis, until they get their permits to work inside Israel.'

Shurrab: Interview, 1997

The finding of the field work showed that 56.7% of the establishments complained of shortage of skills¹ (see Table 3). In addition, 69.1% of the sample organisations encountered significant labour force problems (Table 4), this was mainly concerned with the high absenteeism rates and a high turnover of labour.

One of the reasons for the shortage of skills in Gaza's manufacturing sector was attributed to the lack of balance between quality and quantity of the territory's work force. Several studies emphasised the importance of qualitative deficiencies in human resources (Bull, 1975), these studies stressed problems caused by the shortage of educated, trained and skilled personnel in developing countries all of which are essential for industrial development. Given that many of Gaza's workers are inadequately

¹ In marketing, general management, production, design and computing.

prepared educationally, socially, and technically for industry, this situation is not helped by the lack of any educational or training development strategy for Gaza's work force. This shortcoming was attributed to the Israeli occupation policies as well as to the Palestinians themselves. Only 4.3% of those people from Gaza who were working in Israel were employed in manufacturing, while 75.4% were in construction (SAI 1993), another indication of the lack of familiarisation with industrial culture on the part of Gaza's work force. A few training centres and two universities were established in Gaza during the occupation period, (all training centres were controlled by non-Palestinians (UNRWA or Israeli authorities, while the universities are controlled by the Palestinians) but, there is a consensus among those interviewed (Interviews, 1997), that the programmes in the training centres and universities were mainly designed to produce a labour force suitable for external employment, mainly in Israel and the Arab Gulf countries. For example, the curricula of training centres do not contain any management studies, instead they put emphasis on technical subjects. A majority of the trainees of the UNRWA training centre in Gaza the researcher spoke to, did not work in their chosen fields in Gaza, due to lack of opportunities; at the same time the majority of the trainees in the centres run by the Israeli authorities, were able to find employment in their fields of specialisation in Israeli establishments (Halabi: Interview, 1997).

DATA Studies and Consultations commented on the quality of training and education in the occupied territories by saying that:

'The current extent and level of the industrial education offered, does not match required standards. Vocational or on the job training opportunities are very limited, thus the number of trained or educated labourers are minimal.' (1995, p. 8).

Gaza's universities have only played a minor role in solving the problem of skill shortages. Universities in Gaza, as in all developing countries, need to play a greater role in society's development. (Jerbawi, 1986). The failure is partly due to the limited number of qualified staff and to the Israeli occupation's restrictions on research and development in Gaza. Halabi, (Interview, 1997) commented on the universities' role in Gaza by saying that:

"Universities were isolated from the society, and they were far from satisfying the needs of the Palestinian economy".

Moamer (Interview, 1997) believes that because the universities have only recently been established (the Islamic University of Gaza in 1978 and El-Azhar in 1991), it is not fair to expect very much from them. It is arguable that local universities have not been sensitive to the requirements of the manufacturing sector; the present curricula of the universities are a mixture of Arab and western influences without taking into consideration the requirements of the society. They have not addressed, or been able to address, the need to produce qualified personnel with the necessary skills needed by the local industries or the management in the public sector. It was noticed by the authors that the institutions' text books were mostly old, and were changed from term to term according to the educational background of the lecturers. For example, (from one of the authors own experience), in the 1986 academic year, the text book for the course on 'production management' in the Business School was written in Egypt, in 1970. The text highlighted the procedures which should be followed in establishing new projects in Egypt under conditions, none of which apply to Gaza. After the Palestinian authority was established the universities in Gaza began to play a more positive role in manufacturing development (Halabi, 1997; Moamer, 1997; Rayes, 1997; Ashour, 1997).

They introduced some rehabilitation and training programmes for the private sector in general, acting as a business clinic by providing consultations, free or on reduced costs, and providing several workshops. However, in the opinion of those interviewed, the universities in Gaza are only playing a marginal role in research and industrial development.

The irresponsibility of employees towards industrial development was mentioned by some of the industrialists interviewed (1997). The lack of responsibility by employees can be attributed to the following:

1) Inadequate salaries, it was found that the average annual industrial wage in Israel is four-times higher than Gaza's. In addition, there are no additional benefits, e.g., health insurance, social security, pensions or medical services. Only 29.9 % of the sample organisations provide some of these services in addition to the employees' wages (see Table 5);

2) Gaza's employees' feel insecure at work, as a result of the volatile political situation and the high unemployment rate which has led to a lack of commitment from both the company and the employees. If a better opportunity arises for the worker he most probably leaves without notice;

3) Lack of motivation for company employees. This can be attributed to a combination of low wages, lack of training programmes, too close supervision, and lack of participation in decision making.

Shurrab (Interview, 1997) rejects the idea of training, arguing that "they are working on a temporary basis". In addition, Moamer (Interview, 1997) said: "in the past training was not part of the concern of Palestinian industrialists in Gaza. This was attributed to the entrepreneurs' attitudes, not to their financial capabilities". A similar result was noticed by the researcher from the interviews conducted with companies' owners/managers, in April 1994. Some of the interviewees rejected the idea of training claiming that they have "enough experience to teach anyone who is in need". Lack of incentives and low employee morale in Gaza's manufacturing sector may encourage qualified staff to leave the companies, or the companies may fail to attract qualified skills. Nevertheless, the shortage of skills has naturally contributed to the lack of manufacturing development in Gaza.

4. Manufacturing Raw Materials

The main sources of Gaza's industrial inputs are external suppliers as a result of the limited natural resources in Gaza. When buying raw materials there are several factors which need to be considered. They are cost, quality, and quantity. The cost and quality of the raw materials are normally considered in terms of value for money. However, the practices of Gaza's entrepreneurs are different, the majority of Gaza's manufacturing establishments sacrifice the quality of the industrial inputs in favour of price (Moamer: Interview, 1997). In addition, a number of companies randomly used different types of raw materials² (e.g. plastic, painting and metal industries) which have resulted in fluctuation in quality of the product (Moamer; Rayes; Abu Assi: Interviews, 1997). The lack of quality control has undermined customer satisfaction and confidence in locally manufactured products. Added to this is that most entrepreneurs do not communicate directly with the external suppliers (who are primarily Israeli), which results in extra charges for mediators (Rayes; Moamer; Halabi: Interviews, 1997; UNCTAD, 1993).

The maintenance of adequate stock levels was largely ignored throughout practically all the companies interviewed with the result that serious interruptions were

² Only 18.2 per cent of Gaza's manufacturing establishments used raw materials from Gaza (Union of Industrialists- Gaza, 1993).

experienced in manufacturing operations. Badwan (1994) stated that most of Gaza's manufacturing establishments have enough stock levels to cover only one week of operations at the most. He attributed these low stock levels to the shortage of capital by Gaza's firms.

There is a cost to maintaining a high level of stocks, however, it is more expensive for a company to stop operation because of lack of industrial inputs. Lack of storage facilities, and management policy towards stock levels are considered to be additional important factors. Many of Gaza's manufacturing establishments repeatedly stopped their production activities because of the shortage of raw materials (Badwan, 1994). This has future consequences not only for a company's loss of production, but also for fluctuations in production costs and loss of market due to unreliability.

5. Financial Problems

Shortage of capital is one of the most serious problems facing the manufacturing establishments in Gaza. Besides the external aspects of this problem, there are some internal factors. Some firms did not consider the shortage of loan and credit facilities a problem, the findings of the field survey revealed that 15.5% of the establishments interviewed did not have a shortage of funds (Table 6) and 8.2% did not consider the absence of banking services a problem (see Table 7), as they did not wish to expand, introduce new products or invest in new technology.

In addition, 99.62% of the total capital invested in Gaza's manufacturing sector was financed from personal sources, which are usually limited (Union of Industrialists, Gaza, 1993). This phenomenon may be attributed to the attitudes of Gaza's industrialists in their refusal to form partnerships with other investors, in order to keep the company under their personal control. Most joint ventures in Gaza fail to survive because those involved find it difficult to work as a team. Abu Assi emphasised that "teamwork between partners and managers is lacking" (Interview, 1997). This problem was also emphasised by the owner of a plastics factory (Interview, 1997) who stressed the serious need for extra capital to replace the low quality of machinery, but he refused the idea of taking partners or loans, because, as he put it, "This would be a burden on the business". This attitude and lack of business understanding is probably one of the main reasons why over 99 % of Gaza's industrial capital comes from personal and family sources. Meanwhile, the majority of the companies continue to complain of shortage of investment capital. There is a general lack of understanding of the concept of a company in Gaza (Rayes: interview, 1997). This is readily seen in the lack of separation between the companies' and managers/owners' assets. For example, the majority of owners withdraw from the company account more than the agreed or calculated limit, bringing the company into liquidity problems in some instances (Rayes; Halabi: Interviews, 1997).

In all probability the main objective of a private business, is the maximisation of profit³. However, in Gaza according to Ismail (Interview, 1997): "The important thing for most of the business owners was being self-employed, profit maximisation was rarely considered, survival was the top priority." Consequently profit margin was limited which reflected negatively on the size of industrial establishments.

Capital budgeting is another concept not properly understood by Gaza's industrialists. Typically, every establishment has a certain amount of capital available for investment. Budgets are necessary to distribute funds in appropriate manner, and to

³ There are some other objectives e.g., maximisation of sales or market share. However, the ultimate objective is to achieve a satisfactory return on investment.

monitor their efficient use (Hunter, 1983). However, in Gaza, capital budgeting is hardly ever used (Ismail; Rayes; Halabi: Interviews, 1997).

6. Machinery and Equipment

The quality of machinery and equipment also plays an important role in a company's viability. DRC (1997, p2), described the technology used in the manufacturing industry in Palestine as 'informal' technology. Informal, because the technology used was not selected on the basis of objective factors such as the cost of machinery, running costs, machinery life cycle, market absorptive capacity and availability of skills, (DRC, 1997). Instead the technology was chosen on an opportunistic basis largely based on their relationship with Israeli companies and the price of the machinery. For example, Shurrab (the founder and manager of a plastics factory in Khan Younis) said "I chose this machinery because it is cheaper than the other options, though I know the machinery is of low quality with a short life span". This also results in low productivity, poor quality and high production costs in manufacturing⁴. All experts interviewed mentioned that, the great majority of the machinery used in Gaza's industrial establishments is second hand mainly from Israel. Rayes and Halabi, who conducted a survey on all plastic industries in Gaza, pointed out (Interviews, 1997) that about 97% of the machinery used in Gaza's plastics sub-sector is old, some of which had been in operation since 1950. This type of technology naturally imposes constraints on the quality and type of products. It has undermined the ability of Gaza's industries to compete with foreign goods either in the local⁵ or foreign markets. Admittedly, the cost of new machinery may be prohibitive for the majority of small businesses given the lack of financial borrowing facilities and poor banking and financial advice.

7. Maintenance

It was reported by Policy Research Incorporated (1992) that industrial maintenance was a serious problem in Palestinian territories. Several aspects of the maintenance problem in the West Bank were cited as follows (1992, pp. 27-28):

1) during start-up phases of development of specific industries, human resource needs are rarely studied and usually underestimated;

2) maintenance requirements are not assessed until the first instance of equipment break-down, personnel are not aware of correct maintenance procedures, and managers often prefer to wait until equipment failure, rather than stopping production for regular maintenance;

3) company owners/managers often do not ensure that new (or second-hand) equipment has the requisite technical manuals and service contracts, nor do they arrange for training of technicians in equipment maintenance and repair;

4) on-site repair and maintenance capability is poor and managers hesitate to call on outside technical expertise for equipment repair.

Similar results were reached during the interviews conducted in Gaza's manufacturing establishments (1997). For example, Moamer said: "The concept of regular maintenance rarely exists". Also, Halabi, Rayes and Ismail (Interviews, 1997) pointed out the deficiencies in maintenance procedures in Gaza's manufacturing establishments, stating that managers often wait until equipment break-down rather than conducting preventive maintenance in free times to avoid blockage to production. Rayes mentioned that the printing sub-sector in Gaza does not have a single local technician to

⁴ For more details on lack of Gaza's customer satisfaction with the quality of domestic industrial outputs see sections, g and h, below.

⁵ Local or domestic market when used in this article refers solely to the Gaza Strip.

maintain the machinery. This is a further indication of the lack of experience of the basic tenants of industrialisation.

8. Production and Product Quality

Production is viewed in the Gaza Strip as the most important business function. The industrial management in Gaza tend to define 'capacity' as 'production capacity' rather than in terms of marketing, which includes the capacity of the market to absorb the products. In addition, when management performance is judged by output, quality is often sacrificed. When warehouses are full, goods are haphazardly stored in open spaces throughout the plant location fully exposed to the weather. Random visits to factories in Gaza confirmed this situation.

Gaza contains some developed industries which include clothing, plastics and some food products. However, these industries have limited experience in designing and finishing. Ismail (Interview, 1997) commented: "Gaza's industrialists only came to know Total Quality Management (TQM) in 1995". The concept of TQM, of course, touches every aspect of the organisation including the quality of materials purchased from suppliers, the approach to control on production line, the appearance of the building, the way the problems are solved for customers, the way employees are organised and the establishment's internal communication system (Hannagan, 1995). It should be noted that there is no single or simple process to measure quality, however, there are indicators which can be used to judge how well a quality management system has worked. These indications include profit growth, market share and the return on capital invested. For example, Gaza's manufacturing revenue declined in 1992 by 30% from its 1987 level (SAI, 1988; 1993). This decline in manufacturing revenue is partly the result of poor quality.

Sunoqrot is a leading biscuit manufacturing company in the West Bank which has implemented the TQM concept. The company succeeded in achieving the quality standard, ISO 9000 in June 1997, while in Gaza until June 1997, none of its establishments were granted this certificate (Ismail: Interview, 1997). However, Moamer and Abu Assi (Interviews, 1997) believe that Gaza's industrialists have the necessary skills to produce high quality products, but have no intention to doing so. They produce low quality products by using cheap raw materials, sacrificing quality for price. Palestinian industrialists have acknowledged that the quality of their products falls below that of Israeli products, but their response has been to look for a different market segment in Gaza rather than compete with Israeli products (Ismail: Interview, 1997). Such practices have created local customer hostility to products produced in Gaza and contributed to intensifying the competition among local industries. In addition, such production practices in Gaza make it difficult for the PNA to implement a mixed '*import substituting and export oriented*' strategy as recommended by Sayigh, (1993). Most products are of poor quality compared with the equivalent product produced in Israel. Ismail (1997) described one of the food establishments he visited as being "similar to a mechanics workshop". Similar observations were noticed by one of the authors of this article during his visits to 97 manufacturing sites. In short there is a lack of industrial sophistication.

Halabi (Interview, 1997) pointed out that in his view, the lack of industrial experience in Gaza was reinforced by his experience at an industrial exhibition in Dubai in early 1997, in which 17 industrial firms from Gaza participated. Halabi mentioned three significant elements: 1) Gaza's industrialists were not familiar with international standards. This was noticed in clothing products, e.g., the products did not carry labels to explain the type of cloth or washing temperature; 2) the industrialists did not know the language of their own industry. For example, when they were asked how many

minutes does the shirt cost⁶ they failed to understand the question; and 3) the productivity of Gaza's clothing factories was one third that of its counterpart in Dubai. The low productivity can also be attributed to the layout in Gaza's factories, the level of technical skill of the employees, the establishment of rules in the work place, the lack of ability to work as a team, and the absence of productivity standards. The fluctuation in Gaza's product quality was also attributed to the absence of quality standards and the lack of control by the Israeli administration.

There is no evidence of inventiveness in Gaza's industries. The majority of manufacturing products were imitations, largely of Israeli products. There is no evidence of planning or research to introduce new products. Moamer (Interview, 1997): "The concept of new product development based on experiments and research in Gaza's manufacturing sector does not exist at all". This view is supported by some other interviewees (Sarraj, 1996; Rayes, 1997; Najjar, 1996; Ismail, 1997 and Ashour, 1997).

9. Marketing

If we take the concept of marketing as: "achieving organisational goals based on determining the needs and wants of target markets and delivering the desired satisfactions more effectively and efficiently than competitors" (Kotler and Armstrong, 1990, p.13), then the focus is on consumer needs, and emphasises the importance of customer satisfaction, whereas a selling concept would place the emphasis on the company's existing products, and would call for heavy selling efforts to obtain profitable sales (Kotler and Armstrong, 1990).

Field work and other evidence strongly suggest that marketing is a neglected function of the manufacturing establishments in the Gaza Strip, simply because there is a distinct lack of understanding of the concept of marketing. To many people, marketing is little more than selling. As a result, management tend to focus their efforts on products, with very little or no consideration to customer needs in the market place. Accustomed as the population are to chronic shortages of goods, management often believes that once produced, goods sell themselves (Rayes; Halabi; Moamer: Interviews, 1997). Simply put, it is widely believed that there is no need for marketing. For example, Shurrab (Interview, 1997), though he complained of fierce competition did not consider marketing as a force in the competition for customers. His comment was: "We do not advertise, we know the market and the customers, and therefore there will not be a positive advantage in any promotion campaign". After the establishment of the Palestinian Authority in Gaza, interviewees commented that they noticed a change in attitude towards marketing practices. This may be attributed to the increase in competition in Gaza and to the return of some experienced Palestinian entrepreneurs from the Diaspora, but it has yet to become established practice. A few companies did use advertising on social and religious occasions and at seminars, by distributing free samples to the attendees. Personal selling is the least popular promotion technique used. The tradition is that the buyer always initiates and contacts the supplier. For that reason alone, very little emphasis was put on the selection and training of salesmen (Rayes; Ismail; Moamer: Interviews, 1997; Badwan: Interview, 1996). Ninety five per cent or more of Gaza's manufacturing establishments do not have marketing managers (Moamer; Farra: Interviews, 1997) nor do they have marketing research departments, which reflects their neglect of customer orientation.. Abu Assi (Interview, 1997) believes that there is no customer care, and he added, "If the customer buys any product he must accept the product he buys as it is". An example was given by Abu Assi. He

⁶ It means how many minutes it takes to produce a certain product from collecting the material from the warehouse to the final stage of production.

bought a new domestic water pump, under warranty for a year. However, the pump stopped working after two months. When he went to the seller he refused to replace the unit or even repair it without payment. Abu Assi said: "I just left the pump in the shop and walked away". "Marketing skills are well below what are needed in the West Bank and Gaza" (Hazboun et al, 1995, p. 39).

As one would expect the same attitudes apply to the international markets. 98% of Gaza's exports go to Israel and only 2% to other external markets, (SAI, 1993). The failure to sell overseas spells disaster for the balance of trade and payments in the Gaza Strip. The presence of local training in marketing could help to expand the awareness of the power of marketing in developing the potential of locally produced commodities, and making exports possible for small businesses with limited resources (DATA Studies and Consultations, 1995).

The weakness of the competitive position of Gaza's manufacturing firms is also attributed to the attitudes of the local distributors and retailers towards the local products. An industrialist from the West Bank said: "The local traders in the occupied territories prefer to promote foreign goods because of their higher profit margins compared to the domestic products" (Alraed, 1993). Similarly, Rayes (Interview, 1997) considered this issue as crucial and added: "One of the factors attributed to the strength of Israeli products in Gaza's market is the publicity and wide experience of local distributors and dealers of Israeli goods who refuse to deal with domestic products". Further, Rajab (1997) highlighted this problem claiming that the local merchants prefer foreign products to the local ones, because they assume that foreign products are more reliable and trustworthy than the local products.

Managers require information regarding current and potential customers, competitors and market growth forecasts which need to be available in an accurate and timely fashion (Al-Shamali and Wild 1995). More important, however, is the fact that managers need to understand how to interpret this information and utilise it in the most effective manner. Information on the Gaza market is lacking. While limited data exists on annual industrial sales figures, much could be done in the way of determining who is buying the goods. Furthermore, while Gaza possesses broad figures on its population, there is very poor detailed demographic and socio-economic information. Consequently, most firms are taking a rather haphazard approach to the market, in their competitive positions and strategy formulation (Moamer; Rayes; Halabi: Interviews, 1997).

Local establishments need to learn how to obtain more information concerning consumers. The management of Gaza's industrial establishments also need to learn to appreciate the value of this information, how it can be obtained and how to employ it more effectively than their competitors. For example, firms selling to organisations should maintain databases on their active and inactive accounts. Firms in consumer goods markets would be well advised to develop a socio-economic profile of their customer base, including such details as age, gender, marital status, family size, approximate income, education, where they live, and more complex data such as lifestyle, personality and reasons for purchase. In this way firms can focus on or appeal to a particular segment of the population and attempt to acquire their loyalty, (provided they also improve the quality of their products). All the interviewees (1997) agreed that Gaza's manufacturing establishments have fragmented information on the local and external markets. They do not follow the product in order to get feedback from the customer on how successful the product is in achieving customer satisfaction. Nor do they maintain a database on the markets and prices. In fact, "the majority of market research conducted on behalf of Gaza's establishments is inaccurate and mostly unrealistic" (Ismail: Interview, 1997). The results of the field work conducted by Nofal

(1997) disclosed that 77.3% of the sample organisations do not have information on the international markets.

Many products offered to the market have to be packaged. Packaging includes all the activities of designing, labelling and producing the container or wrapper for the product. In the past, the function of packaging was simply to contain and protect the product. However, packaging and labelling have become important marketing tools (Kotler and Armstrong, 1990). Because of the increase in self-service outlets, packaging is now performing many marketing tasks. Companies have realised the power of good packaging to create instant consumer recognition of the company or brand. Poor packaging and labelling are additional problems which have contributed to the failure of Gaza's manufacturing industries to develop beyond its traditional boundaries. These problems were mentioned by all interviewees (1996, 1997). Obviously this problem is attributed to the lack of information on the markets and customers and to the lack of awareness of the advantages of good packaging and labelling.

10. Managerial Practices in the Gaza Strip

In the management literature, there are numerous discussions of the ways in which managers are typically affected by their cultural and social backgrounds, as well as by behavioural and economic factors. The family structure and the relationship between family members, the degree of acceptance of authority in the society, economic conditions, the overall standard of living, and personal and behavioural characteristics of managers all contribute to differences in their managerial styles in different nations (Yucelt, 1985). Despite this proposition about the factors which affect management styles in general, the findings of the field work of this study suggest that Gaza's manufacturing establishments pay very little attention to management principles and practices.

Before analysing the managerial style in Gaza's manufacturing establishments some of the literature highlighting the family influence on business will be discussed. This issue is essential because the majority of Gaza's manufacturing establishments are family owned and controlled. The field work in this study suggested that 98 per cent of the sample organisations are managed by the owner or a member of the family. There are some positive and negative aspects for organisations being family owned and managed. Some of these aspects are as follows (Hazboun et al, 1995):

1. Positive aspects of family businesses

There are two main positive features: a) Interpersonal benefits, such as trust, kinship and the family network which helps to moderate business stress and hardship and facilitate the exchange of ideas and views; b) continuity benefits, which include protection of trade secrets and other intellectual property, wealth transfer between generations, skill refinement through experience and easier long-term planning.

2. Negative aspects of family businesses

There are two main negative aspects of family influence on business which are: a) Internal concentration of a family on itself may result in slower adaptation to the business environment, a slower professionalisation of the firm, and slow capital growth because of the reliance on family funding; b) defender strategic orientation, (or risk averse), which leads to smaller-scale operations that are easier to control.

It seems that the negative side of family influence on Gaza's businesses far outweighs the positive elements when it comes to manufacturing development. The internal concentration of Gaza's family businesses on themselves contributed to the often limited financial resources, shortage of skills, the sector's domination by

traditional products and poor product quality. For example, the field work of the study suggested that 79.4% of the establishments are run by managers with qualifications at secondary level or less (see Table 8).

A number of studies on small business management maintain that if the entrepreneur continues to lead the project beyond the start-up phase, then the organisational performance of the project will suffer, and the solution to this is the replacement of the entrepreneur with a qualified team of managers (see for example, Jones-Evans, 1996). On the other hand the situation may be dominated by organisations headed by managers with a high degree of technical expertise but with low management experience (Jones-Evans, 1996). For example, it was found that the successful manufacturing establishments in Gaza are those which are managed by entrepreneurs and businessmen (Rayes; Halabi: Interviews, 1997). It was also found in an empirical research study that founders of the establishments with scientific or engineering backgrounds remain in control of the organisations they founded for shorter periods than do founders with academic backgrounds in business (Jones-Evans, 1996). Owner/managers with comparatively little expertise in management may consider growth and expansion beyond their capabilities (Jones-Evans, 1996). Moreover, the finding of the Advisory Council on Science and Technology depicts owners and managers as the primary source of inadequate levels of skills and technology (Scott, et al, 1996).

Before discussing the management styles prevailing among Gaza's manufacturing sector, two significant cultural issues need to be highlighted, namely the low value attached to time, and the thorny issue of envy.

a. The Low Value of Time

Abuznaid (1995) in his research on socio-cultural pressures on West Bank managers classifies the low value given to time in the West Bank as a constraint which is largely outside management control. Admittedly, when wages are low time matters less than in high wage situations, but even so, according to Abuznaid (1995), 51.5% of the managers interviewed in the West Bank complained about the lack of concern for time. Abuznaid attributed the lack of exactness and punctuality to the Arab culture as well as the Israeli practice of stranding travellers at the military checkpoints, and the imposition of curfews and general strikes, although these practices imposed by Israel were limited to the period of the *Intifada* (1987-1993). Abuznaid said "The traditional Arab believes that he only receives what God has allocated and promised him, no matter how hard he works to attain his goals" (1995, p. 46). However, it has been mentioned in several parts in the Qura'an and Sunnah that the best among you is he who works hard and fulfils his promise otherwise he will be classified as a hypocrite.

All managers and experts interviewed in this research mentioned that none of the industrial organisations have written rules or policies to define when workers should start and finish, and they have no written job descriptions to define the responsibilities and authorities of each position. For example, companies sometimes request workers to work unpaid overtime. In return, management does not insist on strict time keeping even though it would like to (Ashour: Interview, 1997). In addition, before the outbreak of the *Intifada*, Palestinian workers inside Israel (where time is considered important), proved to be well disciplined and highly productive (Roy, 1986; 1987).

b. Envy (Evil Eye)

Envy is widespread among the Arabs and Moslems. It is described as:

"a mysterious and hateful power carried by the glance of a certain person"

'The evil eye implies that things or persons one holds dear are continually vulnerable to damage or destruction caused by other people's

envy projected through their eyes. The possessor of an evil eye usually has no control over his unconscious wishes and their working.’ (Abuznaid, 1995, p. 47)

The problem of envy was mentioned by 7.9% of the West Bank managers (Abuznaid, 1995). In the Gaza Strip, the interviews with some managers in the manufacturing establishments revealed a widespread belief in the harmful effects of envy among them. For instance, a manager of the plastic factory rejected the idea of displaying advertisements because he was afraid of evil eyes. In addition, there is a widely held belief among experts interviewed (1997) that jealousy among Gazans of successful industrial projects is the most destructive factor in Gaza. Rayes (Interview, 1997) said: “People fight local successful projects with all available means to destroy them”. There is a need to convince people of the importance of supporting national industries for the benefit of the entire society. Socially Gazans need to understand the destructive nature of jealousy, envy and superstition, both to themselves and to society at large.

10.1 Likert’s Model of Management Styles

According to Likert (1996) (Cited in Yucelt, 1985) management styles can be classified into four systems models and seven factors that determine their style which include: leadership, motivation, communication, interaction, decision making, goal setting, and control.

The four systems are:

- A. Authoritative/exploitative;
- B. Benevolent-exploitative;
- C. Consultative;
- D. Participatory.

In System A managers tend not to have any confidence or trust in subordinates. Managers hold all the authority and subordinates do not participate in decision making. There is very little upward communication, and subordinates experience fear, punishment, distrust, and occasional rewards. System B managers have some confidence and trust in their subordinates, however, subordinates are still not free to discuss job-related matters with their managers, and there is only minimal upward communication and interaction with supervisors. Orders are issued to instruct and to comment on issues related to the job. In system C managers have complete confidence and trust in subordinates. In this style of management, subordinates feel free to discuss job-related problems with their superiors, and experience both rewards and punishment. Communication is in both directions (upward and downward) and subordinates participate in decision-making without fear. Finally, System D is the most democratic, allowing subordinates to discuss and interact in job-related matters with complete confidence and trust in their superiors. Subordinates are more likely to be highly motivated to achieve organisational goals and fully participate in decision-making. In addition, there is always a free and easy flow of communication from one part of the organisation to another.

According to the Likert model (1976) (Cited in Yucelt, 1985), any establishment may be characterised by one of these systems. The application of the Likert system theory illustrates that developed nations tend to adopt a more participatory style, while in developing nations, management style tends to be more authoritative (Yucelt, 1985). Morale and productivity tends to increase as an organisation moves from System A to System D (Yucelt, 1985). For example, a study in Yugoslav establishments suggested that the more successful organisations apply System C style, and the less successful ones apply the System B style of management.

10.2 Exploring Management Style Using Likert's Model

In order to examine the management styles in Gaza's manufacturing establishments by using Likert's system, interviews were conducted with 11 managers in establishments employing eleven or more. The researchers used open-ended questions which gave the interviewees the opportunity to approach the different topics in their preferred way.

The application of Likert's system theory demonstrated that Gaza tends more towards A and B (authoritarian), and we draw attention to three issues arising from the interviews: leadership, decision making and planning.

10.2.1 Leadership

As just mentioned, Gaza's managers leaned more towards an authoritarian style of leadership. There is almost no delegation of power to subordinates. Managers tended not to listen to the opinions of others, saying that they themselves are "the most understanding and aware of management techniques" (Rayes; Halabi; Ismail: Interviews, 1997). Although the great majority of industrial establishments employ relatives and friends, managers have little confidence or trust in their subordinates, as a result close supervision was maintained (Elhayek; Ismail; Ashour: Interviews, 1997). In addition, some of Gaza's managers believe that it is risky to employ and train somebody from outside the family. Because they may decamp to another company or establish their own businesses, it was remarked by many of those interviewed that duplication of businesses was alarming, (Rayes: Interview, 1997). Managers in this world tend not to perform as a team members.

10.2.2 Decision Making

Following from the previous section, as a result of authoritarian leadership, decisions are always made at the top with no consultation with subordinates. Moamer and Abu Assi (1997) stressed that joint ventures in Gaza have failed because of the authoritarian style in management. Gaza's managers are more involved in day-to-day operational and tactical decisions because of the lack of delegation of authority. They make incremental decisions which gives them less time to focus on the strategic issues. All interviewed experts (1997) mentioned the lack of specialisation at work, lack of division between ownership and management, and between management and production as part of the constraints which contributed to the lack of manufacturing development in Gaza. For example, Halabi (Interview, 1997) reported one of the incidents he experienced at the industrial exhibition in Dubai in 1997, where 17 manufacturing establishments from Gaza were represented. A manager/owner of a manufacturing firm from Gaza was negotiating to sell some goods worth about \$80,000 (with a good level of profit), to a businessman in Dubai. During the negotiation, the Gaza businessman went off to sell to another customer an item worth about \$15. Halabi believes that the disruption of the negotiation was one of the main reasons which made the potential (\$80,000) buyer withdraw from the deal. Not surprisingly, Halabi (Interview, 1997) described the decision making method in Gaza's manufacturing sector as "very strange". "If the entrepreneur received advice from an expert concerning a certain problem which may not match with his opinion, he would reject the advice and refuse to listen" (Halabi: Interview, 1997). He cited an example of the owner of greenhouses in Gaza who sought his advice before the establishment of a factory (where the project cost was estimated to be \$3 million), to produce greenhouses. Halabi said "I advised him that Gaza's market was too small to absorb the production of the factory, and I advised him to search for new markets before establishing the business. Unfortunately this businessman did not

listen and the project was established but folded after 3 months of operation because of market limitation”.

Gaza’s executives appear to have fragmentary and weak information about the companies they manage, the existing markets, potential markets and customers. By contrast, managers in the USA, for example, have strong and balanced information bases for their decisions (El-Ansari, 1985). On the macro level, Gaza’s main sources of data are based on Israeli statistics, which are unreliable and misleading (Benvenisti, 1987). Moreover, the supremacy of the individual owner/manager over the system in Gaza renders management decision-making, emotional and personal. “The weak and spotty information bases for decision-making increases reliance on personal trust and contacts in getting positive decisions, thus increasing the personal and emotional components of the process” (El-Ansari, 1985, p. 51).

Table 9, shows some of the differences in management practices between Gaza and the United States. However, someone could say that the use of American management practices in Gaza’s manufacturing establishments are unsuitable and that managers in Gaza do as much as they can to achieve the best results under difficult circumstances. Nevertheless, the findings of the field work and the analysis of the available statistics on Gaza’s industry have revealed how Gaza’s manufacturing sector remains undeveloped.

In addition, it was found that the only successful establishments (which are few) are those run by entrepreneurs and qualified managers. (Rayes; Halabi: Interviews, 1997).

10.2.3 Planning

All companies need to look ahead and develop long-term strategies to meet the changing conditions in their surrounding environments (Kotler and Armstrong, 1990). Experts insist that, “Sound planning helps the company to anticipate and respond quickly to environmental changes and to be better placed for sudden developments” (Kotler and Armstrong, 1990, p. 27). Most of Gaza’s companies never plan at all, and if they do the plans are neither followed nor carried out within the established time frames (Ashuor; Rayes; Moamer; Ismail; Halabi: Interviews, 1997). Plans are usually short-term, and none of Gaza’s establishments prepare long-term plans. In addition, plans are overly ambitious, unrealistic, and in most cases prepared by unqualified persons who do not know much about the reality of the marketplace (Ashuor; Rayes; Moamer; Ismail; Halabi: Interviews, 1997). Furthermore, project planning is based on production figures characterised as production-oriented. Even when project planning or feasibility studies are underway, Gaza’s industrialists still seem preoccupied with production planning. By contrast in the developed world the practice is to conduct feasibility studies and understand the markets prior to any discussion of production planning (El-Ansary, 1985). Indeed, the fieldwork and the analysis of the literature on Gaza’s manufacturing establishments demonstrated a consensus among ministerial officials and industrialists that market limitations both self imposed, as well as political, are one of the main constraints which undermined industrialisation in Gaza. The concept of market share and the introduction of new products are the most neglected areas in Gaza.

11. Conclusion

This paper set out to examine the internal constraints facing Gaza's manufacturing sector during the Israeli occupation. It reveals that the lack of manufacturing development is not only the result of external factors largely the result of the occupation but is also the result of local business attitudes and lack of experience in management and industrial techniques.

When examining business locations, the size of buildings and their facilities, the majority were rarely suitable for their present, let alone their future, needs. Only a few of Gaza's manufacturing establishments had chosen locations based on closeness to their market or the supply of skilled labour. The great majority had never conducted feasibility studies and in those instances where such studies had been carried out they were either inaccurate or never carefully implemented. This was largely attributable to the lack of local expertise and to the business owners themselves who were seeking cheap short term solutions.

With regard to the shortage of skilled labour in Gaza's manufacturing firms the study revealed that part of the problem was attributable to the lack of appropriate education and training for the needs of Gaza's industry. Instead the training was designed to prepare a labour force for external employment, principally in Israel. The majority of manufacturing establishments rely on imported raw materials and price was the most important criterion in their purchase. Price again was the most important criteria when purchasing machinery; running costs, maintenance, skilled labour for the machinery and market capacity for the products were largely ignored.

An indication of the poor quality of Gaza's products is that none of Gaza's establishments is qualified to get the international quality standard ISO 9000.

There is widespread misunderstanding of the concept of 'marketing' which to most firms was synonymous with 'selling', and this together with other shortcomings in the understanding of good management practice have all contributed to lack of industrial development. The concentration on family and friends in ownership and recruitment can be seen in the authoritarian management style adopted by many companies. Although many firms experienced a shortage of capital they are averse to accepting loans or forming partnerships outside the family. There was often a lack of separation between the owner's assets and those of the firm which often led to liquidity problems for the firms.

Not all small businesses want to grow into medium or large enterprises, but they are likely to want to at least survive, and hopefully make more money. Those who do want to grow need help, and given that the country needs to nurture the growth of local businesses, the contribution which government can make to the industrial scene is by investing in education and training, providing more financial help and advice, in addition to their aim of providing a stable political future. Obviously the infrastructure needs to be in place but on a personal level, education, training, guidance and information, which will allow people and businesses to better understand their role in the wider industrial picture is needed. Creating an awareness is often the first step, when people are helped to see how they can better provide for their families, by developing their skills, and at the same time contribute to the country's industrial development.

The lack of development in the area speaks for itself, the constraints, both external and internal are largely understood although they are not always documented, but it is as well to remind ourselves that the greatest economic force is human enterprise, and for that force to develop requires vision and commitment to the vision by both the general population and those in authority. When people are nervous and lose faith in themselves they often turn towards organised power to take away their burden,

protect them, give help, guidance and leadership. Because of the power invested in authority there is an enormous responsibility for those in office to use their positions wisely.

The issues discussed above are only one aspect of a much wider survey, one which has naturally included a look at the external constraints facing industrial development in Gaza. It is hoped that another article will find its way into a later edition of this journal to cover that aspect of the work.

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Interviews with a lecturer at El-Azhar University, Gaza, who asked not to be identified, conducted at his office, 25 September 1996.

LIST OF TABLES

Table 1 - Reasons for Manufacturing Establishments' Locations

Reasons	Number of Firms	Per cent
Availability of the Market	6	6.2
City's amenities and services	40	41.2
Availability of the Building	51	52.6
Total	97	100.0

Table 2 - Manufacturing Establishments who had Conducted a Feasibility Study

Feasibility Study	Number of Firms	Per cent
Conducted	19	19.6
Never	78	80.4
Total	97	100.0

Table 3 - Manufacturing Establishments : Shortage of Skills

Skills Available	Number of Establishments	Per cent
Short of Skills	55	56.7
No Shortage	42	42.3
Total	97	100.0

Table 4 - Manufacturing Establishments : Problems Encountered in Labour Force

Problems in Labour Force	Number of Firms	Per cent
Absenteeism	40	41.2
High Turnover	27	27.8
None	30	30.9
Total	97	100.0

Table 5 - Manufacturing Establishments by Benefits Paid to the Employees In Addition to their Wages (e.g., pension, free health service, paid sick-leave)

Benefits Introduced	Number of Firms	Per cent
Yes	29	29.9
No	68	70.1
Total	97	100.0

Table 6 - Manufacturing Establishments and the Need for Funds

	Number of Firms	Per cent
There is a need for funds	82	84.5
No Need For Funds	15	15.5
Total	97	100.0

Table 7 - Manufacturing Establishments Who Considered the Absence of Banking Service a Problem

	Number of Firms	Per cent
A problem	89	91.8
Not A problem	8	8.2
Total	97	100.0

Table 8 - Manufacturing Establishments : Managers Level of Education

	Number of Firms	Per cent
BA or Master	20	20.6
Secondary or Technical	38	39.2
Preparatory	39	40.2
Total	97	100.0

Table 9. Managerial Practices in The Gaza Strip compared with the United States

A. Management Processes	Gaza Strip	The United States
1. Planning - Objectives - Concept - Time -	Surviving and self-employment Production A year is Long Range	Profitability, Market share and productivity Strategic (financial and marketing) 5 to 10 years is Long Range
2. Organisation - Orientation - Authority - Management - Accountability - Performance Indicators	The Individual Centralised Owners Informal Adherence to Procedures	The System Decentralised Managers Formal Results
3. Decision Making - Nature - Information Base - Psychology	Incremental Weak and Spotty Emotional and Personal	Strategic Strong and Well Balanced Rational and Corporate
4. Communication - Direction - Frequency - Urgency - Primary Purpose	Top Down Infrequent Urgent Orders	Multiple Frequent Routine Informs
B. Business Functions		
1. Production - Dominance - Orientation - Capacity	Company Main focus Quantity Physical	Lower Quality Marketing
2. Marketing - Orientation - Concept - Emphasis	Products Buying and selling Whole salers and retailers	Customers Marketing Mix Marketing management
3. Financing - Magnitude - Sources - Security	Thousands and few Millions Limited and Personal Unstable, high risk	Billions Consortium International Feasibility studies, cash flow and return on investment

Source: El-Ansary, 1985; Findings of the Interviews with top experts in manufacturing sectors and management in Gaza, 1996; 1997.