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Cultural Influences on the Antecedents of Trust in B2B Relationships: A Study of Financial Services in the United Arab Emirates

Dr. Roudaina Houjeir

Prof. Ross Brennan

Competitive paper

Abstract

This study investigates the impact of cultural values on trust in the corporate banking industry in the United Arab Emirates. A substantial literature exists concerning trust in inter-firm relationships, and considerable research has been conducted into trust in the banking industry. However, uniquely, this study focuses on trust in business-to-business relationships within the banking industry in the cultural context of an Arab country. The bulk of the empirical research reported concerning trust in business-to-business relationships has been conducted in Europe and North America, while a considerable amount of research into related concepts such as *guanxi* has been conducted within Chinese cultures. However, little empirical research has investigated trust in business-to-business relationships from the perspective of an Arab culture. Culture in the United Arab Emirates (UAE) is influenced by Islamic tradition and by Bedouin tribal values. The social and cultural characteristics that prevail in the Arab context are very different from those in nations influenced by Western or Chinese culture. Consequently, this study yields unique insights that would develop our understanding of culture and 'shared values' in the development of trusting business relationships with Arab businesses. The focus of this research is on the individual and on individual practices in their social setting, to explore the role of culture as antecedents of trust.

Data collection involved 170 interviews across 80 business-to-business dyads. Purposeful 'snowball sampling' was employed to include a diversity of groups and to ensure that all banking sectors and were represented. Thematic qualitative analysis was used to analyse the data.

The findings demonstrate that there is tension and a mismatch between the personal culture of Emiratis (citizens of the UAE) and the organisational culture and shared values of non-Emiratis. We posit that cultural variables comprising patriotism, tribalism (which is fundamental to altruism), kinship, *wasta* (*wasta* is Arabic for connections or "pull" and may be utilised as a form of intercession or mediation), the importance of clan and kith, and the family and extended family are key antecedents of trust in an Arab/Muslim context. The findings extend and develop our understanding of the antecedents of trust and, particularly the contextual importance of culture in developing trust.

Keywords

Trust, cultural antecedents; patriotism; tribalism; wasta; family; kin; clan networks; United Arab Emirates.

INTRODUCTION

The social and cultural characteristics prevalent in the Arab context differ substantially from those of the West (Darwish, 1998 and 2001; Ndubisi & Wah, 2005). It is to be expected that these differences will influence trust in business-to-business relationships. This study seeks to identify and analyse the antecedents of trust in business-to-business financial services in the context of Arab/Muslim culture, examining the relationships between Emirati and non-Emirati bankers and their business clients in the United Arab Emirates (UAE). The context and culture of Arab countries differ from the Western countries in which most of the research on trust and its antecedents has been undertaken. Much of the literature on the antecedents of trust has ignored the Arab/Muslim context. This context is largely, but not exclusively, dominated by the social and business influences of Islam; religion is one of the dimensions of culture, shared values and social structure that affect the behaviour and beliefs of the Arab people. The social structures in an Arab/Muslim context, which emphasise family, kin and clan networks as both sources of social support and as business networks, can be expected to influence relationships between bankers and their clients.

Trust in corporate banking relationships in the Arab world is a matter of both theoretical and practical significance. Pech (2009) suggested that Emiratis found working for international banks difficult, and observed that the Emirates had a high rate of attrition in financial services generally. *The Times* (18 March 2010, p. 35) reported on incidents of cultural clashes between local Emiratis and the foreign population, who, although they are welcome in the UAE, are often accused of not respecting Emirati traditions. Since the UAE relies heavily on foreign expertise to develop its oil, gas and financial services, an understanding of cultural influences affecting trust in business-to-business relationships is of relevance to both business-people and policy-makers.

Although many studies have considered the dynamics of buyer–seller relationships in the marketing of financial services (Gummesson, 1987; Grönroos, 1996, 2000; and Tyler and Stanley, 2007), Kingshott and Pecotich (2007, p. 1053) suggest that there is "a distinct paucity" of empirical studies devoted to trust building and the antecedents of trust factors in inter-firm relationships. This literature evidences the dynamic nature of relationships and stresses that the context and history of the relationships are significant determinants for the future of the relationships (Ghauri, 1999).

Within UAE culture, everyone has a clear understanding of what their role is, what their obligations are, and the roles and obligations of others (Caldwell and Karri, 2005). This shared understanding of norms, values, goals and expectations promotes the establishment and maintenance of trust relationships. Trust is created by shared backgrounds including: religion, language, values and traditions, amongst bankers and clients (Collins, 2004; Hall, 1992). Such similarities facilitate communications regarding specific service attributes (Morgan and Hunt, 1994), increase confidence in the expected service outcomes and, as a consequence, serve as the basis of building trust.

Coulter and Coulter (2002) argue that similar backgrounds allow clients to identify with their counterparts on a personal level. This identification reduces interpersonal barriers, raises comfort levels and contributes towards building trust. It is expected, then, that perceived similarities between Emirati clients and Emirati bankers will contribute towards initial feelings of empathy and, hence, play a significant role in building initial relationships. Woodside and

Davenport (1974) found that relationship managers who are perceived to be similar to their counterparts are more influential in changing attitudes and opinions.

Morgan and Hunt (1994) conceptualize shared values as "the extent to which partners have beliefs in common about what behaviors, goals, and policies are important or unimportant, appropriate or inappropriate, and right or wrong" (p. 25). Shared values play an important role in creating high levels of trust (Schwartz 1992, 1994, 2004, and 2007). Jones and George (1998) argue that shared values are the primary vehicle through which individuals experience the highest "unconditional" form of trust. Shared values are the fundamental, inherent standards to which people aspire to maintain "loyalty, helpfulness and fairness" (Tschannen-Moran, 2004, p. 49). The cultural factor is very relevant to this study since research shows that there is a large cultural distance between non-Emiratis and Emiratis, which may impede the handover of practices to acquired companies in Arab countries (Child et al., 2001). Though it is commonly accepted that people of different national backgrounds have different expectations about business relationships (Koeszegi, 2004; Nooteboom, 1999) and the exploration of the impact of culture on business relationships is becoming more common (Fang and Kriz 2000), relatively few studies have focused on culture as an antecedent of trust (Boersma et al., 2003; Abosag et al., 2006). It is claimed that a better understanding of values and culture of the UAE has become increasingly important to multinationals in the UAE.

This paper is structured as follows. First, we present a brief literature on trust, the antecedents of trust, and culture. Then, we present our methodological approach, research methods and describe our analysis process, and our findings. We then propose a model to reflect the major contribution of this research which shows that in an Arab/Muslim context, the antecedents of trust are contextually determined by culture which may be seen as important to every Arab country, and possibly to any country with a high-context culture (Hofstede, 1991). This finding is one of the contributions to knowledge of the present work: the discovery of the fundamental importance of context specificity on trust building. Finally, we draw a number of conclusions from our study, identify our contribution to knowledge, draw out implications for managers, and make recommendations for further research.

DEFINING TRUST AND THE ANTECEDENTS OF TRUST

Despite a growing body of literature (Ebert, 2009), there is little agreement on the dimensions, antecedents or consequences of trust. Trust has been defined in a variety of ways, dependent on the environment and the actors involved, reflecting its multi-faceted nature. Trust involves one party having confidence in or relying on another to fulfil obligations (Anderson and Narus, 1990; Moorman et al., 1993; Morgan and Hunt, 1994; O'Malley and Tynan, 1997). The business to business literature recognises the affective and cognitive dimensions of trust (Ganesan, 1994). Cognitive trust is "based around notions of reliability and dependability" (Ennew and Sekhon, 2007, p. 63); it is based on the rational decision that a party will behave in a required way because of the financial outcome that will result from working together in the relationship (Hammervoll, 2011; Tzeng and Li, 2011). Affective trust is the confidence placed in a partner on the basis of feelings generated by the level of care and concern the partner demonstrates (Johnson-George and Swap, 1982; Rempel et al., 1985). The affective and cognitive elements can be found in aspects such as enthusiasm, shared visions, association, and forgiveness within new entrepreneurial ventures (Ali and Birley, 1998, pp. 749–63).

Trust is also considered to be a substantial sign of commitment as it reinforces the commitment in a relationship by decreasing the levels of risk between the counterparts and decreases the transaction cost in exchange relationships (Caceres and Paparoidamis, 2007; Canning and Hanmer-Lloyd, 2002; Wang et al., 2008; Johnston and Hausman, 2006). Conversely, the meaning, degree and power of trust differ immensely between different cultures (Gummesson, 2008; Abosag et al., 2006; Zabkar and Brencic, 2004).

Trust in the Arab world is rooted in kinship and family connections. The relationship hierarchy begins with the immediate family, then relatives, and then clan and tribe affiliates. Trust within the family and the clan is founded on loyalty, face saving and honour (Rice, 1999); such trust is built on social status and connections instead of accomplishment, credibility, integrity and trustworthiness as perceived in the West (Morgan and Hunt, 1994). Hutchings and Weir (2006) claim that relations of trust between business counterparts are vital to effective business transactions in the Arab world. As soon as trust is created, counterparts only need to give their word of honour which has more impact than the written contract (Hutchings & Weir, 2006).

For the purposes of this research, Ganesan's (1994) definition of trust was adopted: "the willingness to rely on an exchange partner in whom one has confidence" (p. 60). This definition is often used within business-to-business relationship studies (see, for example, Doney and Cannon, 1997; Nicholson et al., 2001), as Ganesan covers both customer and supplier perspectives. Having defined trust we now discuss antecedents.

A number of antecedents of trust have been identified in previous studies and a typology of these provides the conceptual framework for this study. The antecedents of trust come under two main headings – cognitive and affective (Johnson & Grayson, 2005). This research suggests that culture is a mediating variable in the antecedents of trust, and provides insights into which antecedents are more or less salient to Emirati and non-Emirati dyads.

CULTURE

There is no single accepted definition of culture in the literature (Inglis, 2004). Culture is a generic term for the patterns of thinking, feeling and acting that have been acquired and learned during one's lifetime, which could be referred to as mental programmes, or the "software of the mind" (Hofstede, 1991, p. 4). Hofstede's (1991) work is parsimonious and based on extreme polarities, which makes it less nuanced and explanatory. Culture is particularly important for businesses, which must interface with people, as customers, employees, suppliers or stakeholders (Jones, 2007). Although it is commonly accepted that people of different national backgrounds have different expectations about business relationships (Koeszegi, 2004; Nooteboom, 1999) and the exploration of the impact of culture on business relationships is becoming more common (Fang and Kriz 2000), relatively few studies have focused on culture as an antecedent of trust (Boersma et al., 2003; Abosag et al., 2006) or relationship quality (Athanasopoulou, 2009).

Culture is an important aspect of management in an international context (Hall 1992, Hofstede 1991), whether this is the management of non-national members of staff or the expansion of a business into a new country. Hofstede's classification is a popular classification of culture, based on the large number of countries measured and the simplicity of his dimensions. It describes variations

among nations and has been widely used to help understand the influential features of national cultures. The UAE is one of the countries studied by Hofstede, which is also helpful for this study (Dedoussis, 2004).

Doney, Barry and Abratt (2007) investigated cultural antecedents of trust, defined as the buyer's national wealth and collectivism and suggest that "social behaviours seem to dominate the trust building process" (Doney et al., 2007, p. 1109), and that these behaviours are culturally driven. Theron et al. (2008, p. 1006) provide one of the few studies of relationship managers and their clients in the financial services industry concluding that "business values" need to be aligned, and that "cultural differences" need to be taken into account. They also noted the provision of "unique financial services to Muslims" (p. 1006), although they do not specify what these are. They equate culture and shared values with religion. However, the impact of culture and shared values has not been studied separately from that of religion (Schwartz and Huismans, 1995).

CULTURAL INFLUENCES: ANTECEDENTS IN THE UAE

The cultural context for our study is the UAE, a state that is characterised by a number of cultural influences. These include *ethnicity*: the native population is predominantly Arab; *religion*: predominantly Muslim; and the strongly Bedouin tribal *history* and *geography*. It is also a country of high levels of *immigration.* Non-Emiratis (expatriates or workers from overseas who live and work in the UAE temporarily) comprise 81% of the population. In the UAE, the antecedents of trust are determined by the context, which combines culture and shared values. Duranti and Goodwin (1992) believe that context is important. The present results demonstrate that culture and shared values are over-arching influences, which are much stronger than the culture of an organisation – in this case, an international bank or company.

Patrick (2009) notes the tensions that exist between modernisation and the "cultural past", which is very much part of the "cultural present" in the UAE: "The emphasis on a Bedouin-style cultural past even as nationals are overwhelmingly part of settled communities is interesting, given the importance of tribal alliances that remain important features of the authority of local emirate rulers" (Patrick, 2009, p. 17). The Bedouin Arabs were desert nomads who traded and took their flocks from water hole to water hole. The Arab/Muslim Bedouin Emirati culture runs deep and is pervasive.

Pech (2009) conducted research to "find solutions to the problem of young Emiratis' high rate of attrition in financial workplaces" (p. 57), specifically banks. Pech (2009) found that the education and training provided by banks for young Emiratis needed to be aligned with their culture and values, instead of the banks' primary focus on economic values (Pech, 2009, p. 60). In contrast, the students' first value was religion, followed by cognition, political values, aesthetics, social customs and, finally, economic values. This cultural mismatch between the values hierarchy of the banks, and that of the young Emiratis, caused anxiety and insecurity, to the point where "physical as well as emotional withdrawal became a preferred option [for the Emiratis]" (Pech, 2009, p. 59). Pech's (2009) research highlights the tensions between Emiratis and non-Emiratis, financial services institutions and individuals, which is caused by differences in culture and shared values.

Zakaria et al., (2003) note that "Arabic cultures tend to know more about each other than Westerners [know about themselves]" (p. 17), because in Arabic cultures extensive networks are created by socialising, and connections are important parts of Emirati daily life. The society of the UAE is

tribal; its most outstanding traits are clan loyalty and importance of the family. Decision-making capability in the UAE relies on intuition, instincts, personal contacts, social position and family relations (Bakhtari, 1995; Muna, 1980). In this context, once relationships have been formed, there are strong cultural reasons not to break them. Emiratis tend to be reluctant to take risks with people they do not know (Bohnet and Zeckhauser, 2004) however good their reputation may be. Conversely, well-founded trust as a mechanism for uncertainty reduction is highly valued. UAE culture has high levels of uncertainty avoidance, expressed by rule following and a preference for business stability; members of the culture try to explain and minimise life's intrinsic uncertainties (Hofstede, 1980). Uncertainty-avoidance cultures place a high value on security. They resist change because adjustments are seen as threatening (Hofstede, 2006).

Emirati people operate by first giving serious consideration to potential counterparts; they feel more relaxed when dealing with other Emiratis. They prefer to remain with existing relationships and are reluctant to develop new ones with non-Emiratis, however good their reputation may be. UAE culture teaches the value of accepting things as they are and Emiratis display a strong in-group preference. Usunier (1996) comments that "Loyalty is a key concept in collectivist cultures, which spreads from people to product or service, in as much as they are extensions of the self" (p. 114).

Some of the significant cultural variables such as Bedouin tribal society, the importance of family, hierarchical sheikhdom, *wasta* and kinship are important themes that permeate business interactions in an Arab/Muslim cultural context and could be considered to be social bonds (Morgan & Hunt, 1994). A significant cultural sub-category of the antecedents of trust in the UAE is patriotism. There is broad agreement on its meaning: "a deeply felt affective attachment to the nation" (Conover and Feldman, 1987, p. 1) and "pride in one's nation" (Kosterman and Feshbach, 1989, p. 271). The second cultural sub-category is tribalism. Tribalism and kinship networks are embedded in the UAE; most tribes trace their roots to an individual ancestor (Dadfar, 1993).

Tribal tradition and clan loyalty have a dominant influence in Emirati society. Blood ties are significant and determine group loyalties and identities, which have evolved into an institutional social welfare and political machinery in the modern Gulf (Dadfar, 1993). Tribalism lies at the core of the value system and structure and serves as a unifying factor of loyalty in the construction of Emirati identity and ideology (Hitti, 1985). Sheikh Khalifa is the prime tribal leader and is seen as an opinion former of great influence.

One of the most important cultural terms of the Emirati tradition of tribalism is *wasta*. *Wasta* forms the foundation on which almost everything in Emirati societies is accomplished (Cunningham and Sarayrah, 1993, p. 209). *Wasta* is Arabic for connections or "pull" and may be utilised as a form of intercession or mediation. *Wasta* is difficult to investigate because it takes very subtle forms and is "widely practiced and simultaneously denied by its practitioners and beneficiaries" (Cunningham and Sarayrah, 1993, p. 4). *Wasta* has changed over time from its tribal roots to become a national and organisational norm (Al Rayis and Al Fadli, 2004, p. 75). In a tribal setting, *wasta* mediation binds families and communities with the common aims of peace and well-being. *Wasta* benefits communities as well as individuals; however, intercessory *wasta* involves a central character intervening on another's behalf to obtain an advantage – for example, a job, a government document, a tax reduction or admission to a prestigious university (Cunningham and Sarayrah,

1993, p. 209). While it is clear that w*asta* plays a critical role in many business decisions, it is never discussed in business conversations; it is an implicit verbal assumption between the counterparts, and is never mentioned in writing, in business letters or memos.

In summary, few studies focus on culture as an antecedent of trust. Most of the work that considers these variables focuses on the economic environment, or the service environment (expertise), or on organisational culture. There is a need for more research on specific culture contexts, and how this frames the interactions of counterparts, which is the gap this research addresses.

RESEARCH METHOD & ANALYTICAL PROCEDURES

An investigation of opinions, beliefs and attitudes about the antecedents of trust in financial services business markets has not previously been conducted in an Emirati context. Consequently, a qualitative approach was appropriate to provide unique insights through rich data collection (De Ruyter and Scholl, 1998). The chosen research method was thematic qualitative analysis and this was derived from grounded theory as developed by Glaser and Strauss (1967), Strauss (1987) and Corbin and Strauss (1990), for comparative studies of social processes in which the people who are studied are "derived from the research question and thus defined *a priori*" (Flick, 1999, p. 87). Data analysis is directed through "theoretical sampling", in which the analysed data directs the in-depth questions asked at the subsequent interviews; interviewing continues until no new data are discovered. Sampling was a purposive "snowballing method" to produce a diversity of opinions, and was directed towards organizations whose perspectives on the issue seemed to be most instructive (Flick, 1999). Data were obtained from semi-structured interviews guided by an interview protocol based on the literature-based preliminary framework.

Data collection took place across a full range of respondents over the course of 170 interviews with 80 dyads. The sample of clients was selected by sector and size so that it was as representative as possible across the range of businesses. However, it was not possible to find an interview dyad consisting of an Emirati banker with a non-Emirati client; it appears that this relationship may not exist. The breakdown of dyads by banker/client and Emirati/non-Emirati is shown in table 1 (below).

Many respondents were interviewed more than once in order to clarify the transcripts and follow-up responses as part of the data quality and validation process. These are not counted as additional interviews. Many, but not all, were re-interviewed during the data transcription, triangulation, data analysis and writing-up phases of the research. Data triangulation and validity was granted and confirmed by the primary key informant, a senior staff external examiner of the Central Bank of Abu Dhabi. The key informant for the client side was a senior manager from a multi-national oil company. The primary key informant from the Central Bank of Abu Dhabi provided the names of bankers and clients from whom he obtained prior agreement.

Each interview lasted between sixty and ninety minutes. Respondents were given an opportunity to express their views, comments and opinions within the broad domain of trust-based business-to-business relationships. The protocol of informed consent was followed before commencing the tape recording. Some respondents requested not to be recorded in this way; in these cases, notes were taken and a second meeting or telephone call was arranged with the respondent to verify the accuracy of the notes. The remaining interviews were audio-recorded transcribed, sorted and coded, word by

word, so that general conceptual themes could be identified (Miles and Huberman, 1994; Ghauri, 2004). Each interview transcript was compared with the audiotape and/or notes to ensure accuracy.

Table 1: Sample description: dyadic counterparts in the research

Dyads	Number of dyads
Emirati client/ Emirati banker	25 dyads (25 of each, for 50 people, of which 25 are Emirati businessmen and 25 are Emirati bankers)
Emirati client/non-Emirati banker	33 dyads (33 of each, for 66 people, of which 33 are Emirati businessmen and 33 are non-Emirati bankers)
Non-Emirati client/non-Emirati banker	22 dyads (These are ex-patriots, most of them Westerners, 22 of each, for 44 people, of which 22 are non-Emirati businessmen and 22 are non-Emirati bankers)
Non-Emirati client/Emirati banker	0 (could not find any examples)
Total	160 interviews (80 dyads)

The cultural context presented challenges for data collection. Gaining access to banks is difficult because of confidentiality and the competitive value of sensitive information (Turnbull and Gibbs, 1987; Tyler, 1996). Sensitive issues of a personal nature about religion, beliefs or lifestyle may influence data quality for reticent interviewees. In this study, we minimised problems through: awareness of bias; cultural sensitivity in words, actions and dress; in-depth interviewing that allowed the cross-checking of concepts; and large numbers of interviews undertaken with similar groups of respondents. It was necessary to use networks of relationships in order to gain access to potential respondents.

The interviewer wore the Islamic dress of Emirati women, a long black garment covering all parts of the body except the face and hands. This is a style of dress that the interviewer would not normally wear. Interviews were conducted in a neutral public place, not in the office, a potential problem because of the gender of the interviewer (female) with male interviewees. In the absence of such protocols access to Emirati interviewees would have been problematic, and it is unlikely that they would have spoken openly. Translation from Arabic into English was a necessary part of the transcription and analysis process. Because the beliefs and values of respondents had to be translated from Arabic into English, it is likely that some concepts lost the subtleties of their meaning in the process of translation.

Respondents were guaranteed confidentiality, anonymity and non-attribution in the study, so in order to maintain careful data records and send files to respondents and key informants to triangulate and check for accuracy, the bankers and their clients needed to be assigned codes. This coding was done as follows:

Coding for banks

Emirati bankers – E A, E B, E C …
(Emiratis are citizens of the United Arab Emirates, and represent 19% of the population.
See appendix A.)
Non-Emirati bankers – NE A, NE B, NE C …
(Non-Emiratis are expatriates or workers from overseas who live and work in the UAE
temporarily or permanently, and represent 81% of the population.)

Coding for clients

Emirati clients – E 1, E 2, E 3 …
Non-Emirati clients – NE 1, NE 2, NE 3 …
(The clients were selected to represent different sectors and sizes of operation across the
UAE. This was based on the Emirates GNP by sector.)

These codes represent the names of participants when referring to any quoted material from the transcripts. However, to ensure that respondents consented in a fully informed manner to use of their material, and to ensure the accuracy of the transcript, respondents were given the opportunity to review the final transcripts and were invited to modify them or withdraw any or all of their responses. The final transcript was then not further modified.

Data are reviewed word by word, line by line and paragraph by paragraph, in order to start the analysis. Data analysis was directed through "theoretical sampling", in which the analysed data directs the in-depth questions asked at the subsequent interviews; interviewing continues until no new data are discovered (Flick, 1999, p. 187).

The study also showed that cultural variables, such as Bedouin tribal society, the importance of family, hierarchical sheikhdom, and *wasta* were important themes that permeate business interactions in an Emirati context. These antecedents were then grouped into clusters that were most relevant to the research context, and which could be examined in depth. To this end a number of working propositions guided the interview and sampling strategy and subsequent data analysis.

Proposition 1: Antecedents of trust will, or are likely to, differ between

a.   Emiratis and non-Emiratis
b.   bankers and clients

Proposition 2: If antecedents of trust are contextually and situationally determined (that is, they may be culturally conditioned) then antecedents in an Arab/Muslim context will be context-specific.

The **research propositions** were used to provide a further basis for comparison with the results to add clarity and soundness. These research objectives, questions and research propositions, critically reviewed within the context of the research design and methodological choices, led to the choice of thematic qualitative research, triangulated by a primary key informant from the Central Bank of Abu Dhabi, with an additional key informant from the oil industry, as well as other bankers and clients who agreed to act in this capacity.

RESULTS & ANALYSIS

This section analyses the antecedents of trust and the effect of these antecedents on the business behaviours of bankers and clients. Our findings indicate that affective trust arises from culture. Culture appears to influence the development of trust in an Arab/Muslim context (see figure 1, appendix A). The social constitution of the nation, tribe, clan and family generates cultural similarity and the reproduction of cultural similarity, which in turn has an impact on business behaviour. Cultural similarity facilitates communication, which in turn facilitates the trust-building process. Culture has a significant influence on the antecedents of trust in an Emirati context, especially patriotism and tribalism.

EMIRATI BEDOUIN CULTURAL ANTECEDENTS

The most important cultural antecedent of trust in the UAE is ***patriotism***. Several interesting issues with regard to trust emerged from the data on this. Emirati respondents expressed loyalty and deep love both for their country and for the royal family that heads the government, which was said to support the projects of Emirati clients and bankers. A general observation on the responses from the Emirati clients is that they considered using an Emirati bank to be an expression of patriotism. The Emiratis saw patriotism as an important indication of cohesion and solidarity:

> *I am proud that I am Emirati; I love my country and its rulers. I am sure that our unity and love of our country has made UAE a strong country (E 18).*
> *We love our country and we feel that we have obligations and responsibilities towards our country (E U).*

The Emirati interviewees' statements highlighted trust as grounded in reverence for the royal family and loyalty to the government, especially to the late Sheikhs Zayed bin Sultan Al Nahyan and Rashid bin Saeed Al Maktoum, who formed a federation among the Trucial sheikhdoms. UAE government holdings are also a significant driver of UAE client–banker behaviour; the majority of respondents considered this the most influential factor in their investment decisions. Reverence for the royal family is deeply embedded in UAE culture; the Emirati political system is a combination of the traditional and the modern – the ruler of an Emirate, the Sheikh, is the leader of the most powerful tribe in a given area. For Emiratis, loyalty is something they uphold as a core value. They adhere to their leaders and have been known to bind themselves to a course of action to accomplish something they believe was given by God. The typical response of an Emirati to disloyalty is to leave the relationship and not trust the other again unless loyalty or trustworthiness is guaranteed in some manner. This was shown in the following responses, for example:

> *As a relationship manager for a large Emirati corporate, I prefer to deal with an Emirati bank. The Emirati bank is supported by the government, and the central bank provides Emirati banks with greater advantages regarding their services, which are offered to the public. I want my country to develop and progress and I will do my best to support my country (E 10).*
> *I love my country the same as I would love my family members. I am loyal and would die for the sake of my country (E P).*
> *I am loyal to my country. I will do my utmost to support the UAE (E W).*

The Emiratis described their patriotism and willingness to sacrifice for the sake of their country. They expressed love for their country and a strong attachment to members of their own group. In this sense, patriotism expresses an attachment to the nation as a particular value that the Emiratis ranked as a priority, which in turn motivated the defence of values or policies viewed as contributing to the country, even when the country did not support them. Patriotism not only refers to loyalty towards the country, but also to a complex form of devotion to the country and its leaders. Accordingly,

patriotism for Emiratis was seen here as a fundamental element of individual and group life, and as such it fulfilled a basic need – similar to the need for security.

> *When I deal with Emirati bankers, I feel safe and secure, and if I need any help, I would go and speak with the Sheikh and ask for help or advice (E 2).*
> *We have the same blood that flows in our veins. This strong bond leads to better understanding of each other (E 23).*
> *I love my country. I love everything in my country, even the sands of the desert, and I will do my best to participate in the progress of my country. For this reason, I prefer to deal with Emirati people from my country (E 30).*

There was very high goal congruence within the Emirati dyads (66 respondents), making it easier for them to trust each other and to offer and accept mutual help and support. Emiratis tended to be more affective and less calculative than non-Emiratis, offering help without expectation of return and working for the benefit of all:

> *Because I love my country, which is represented by the royal family, I have supported many projects in the country. I supported not only large national corporate clients, but also small and medium corporate clients because both are working to towards one goal, which is to raise the income of the country (E J).*
> *Giving help unconditionally, no one calculates. Everybody keeps forging ahead for one's own future and bliss (E 8).*
> *Everyone intends to help others; everyone comes here for this (E E).*
> *I am proud to be Emirati. I like my country and my main goal is to maximise our profits to support the economy of the country (E A).*

Emirati clients believed that Emirati banks had increased relationship-specific training for their Emirati staff in both Emirati and non-Emirati banks, especially after the decision to "Emiritise" all governmental and private sectors jobs. However, non-Emiratis appeared to take a calculative attitude to business. They might love the UAE, or have loyalty to their own country and not to the country where they are working, and they might speak Arabic, but they might also feel no particular responsibility towards the UAE government, which, after all, does not support them. Non-Emirati bankers dealt with their counterparts on the basis of documentation, contractual agreements, formal procedures and routine practices:

> *I like the UAE, but I am not willing to sacrifice my position for its sake and to maximise the profits of the country. My goal is to maximise our profits and to be promoted. I am a realistic person, I am not from this country and I am here for a short time. We are doing well but according to regulations (NE 17).*
> *I value the loyalty of the Emirati people to each other, but I am not Emirati, so I am not willing to minimise my profits to help them. I feel relaxed that I don't have any obligations to break the rules to support the Emirati people. I follow only rules. So, if they are not happy with us, they could leave us (NE T).*
> *Non-Emiratis did not need to know their Emirati counterpart's reputation before entering into a contract – the legal system protects them against material loss: I don't care whether my clients are loyal or not. I care to pay what they have to pay and do their part (NE U).*

Typically, non-Emirati bankers and clients had little affective feeling for the culture, which was then operationalised as business behaviour. Their responses tended to be cognitive, calculative and aimed at maximising profit. Forty out of the forty-two non-Emirati respondents tended not to show any special appreciation for the internal culture of the UAE. Emiratis claimed that they did not blame non-Emiratis

for this, because they would behave in the same way when doing business in London, New York or Paris:

> *If I were in their place, I would do the same. For instance, I have business in London, but I do not behave like the British people who are used to their culture. I am an Emirati; I respect other cultures. The British people in UAE show little appreciation of the culture, which is normal since they are not Emiratis. This could be applied to me and to other Emirati businessmen who are working in foreign countries – we respect the other cultures, but we don't show great appreciation of these cultures (E 18).*

It is worth mentioning, here, that two non-Emirati dyads (four respondents) seemed to have acquired some affective feeling for Emirati cultural mores, stating that Emirati partners were trustworthy, which was "more important than formal documentation". This indicates respect and admiration for the Emirati people on the part of some non-Emirati bankers:

> *Trust is more important than formal documents sometimes. I am from the USA but I have been working in this position for 15 years and being familiar with Emirati culture, I know the importance of trust to the Emirati people. Emirati people are polite, respectful, conservative and trustworthy (NE B).*
> *My concern from this relationship is gaining money and maximising our profit, but I do trust Emiratis. They have ethics, respect and they are professional. They like to learn and develop themselves, and they have changed the desert into a green land. I respect them and I like dealing with them on the basis of trust (NE S).*

The non-Emiratis were composed of ex-patriots living in the UAE on work-based visas. The typical stay was between 2 and 15 years, although a few stay longer. They are only allowed to reside in the UAE while they are working. As soon as they retire or lose their jobs, they are required to return to their own country. Non-Emiratis are a diverse group of international people from the USA, UK, Ireland, Canada, Australia, Iran, Pakistan, India, Lebanon, Palestine and Jordan. The Arab non-Emirati respondents were either Muslim or Christian; these respondents shared cultural values and found it easier to build business relationships with the Emiratis than other non-Emiratis. The conceptual model for non-Emirati shared values, drawn from the findings of this research, is given in figure 2 (see appendix A).

Tribal traditions (or ***tribalism***) is a key cultural phenomenon in the UAE, from which emerge the cultural antecedents to trust of kinship, altruism and *wasta*.

Kinship: Emirati society is family orientated; tribal kinship units play a significant role in social identification. Family ties are centred on blood ties and Emiratis value loyalty to the tribe, which tends to override all other social obligations. The Emirati relationship managers showed concern for friendly relationships and harmony within the group, but they also demanded mutual loyalty:

> *I trust people from my country, from my tribe, people who have the same blood (E 12).*

Personal relations and face-to-face meetings are most effective in resolving problems and clinching business deals in the UAE, as opposed to regions where formal communications play a stronger role. In fact, the culture of the UAE gives pride of place to personal ties. Ties between Emiratis and their non-Emirati counterparts tended to be weak, entailing little time, emotional attachment or reciprocity. The data reveal that Emirati tribal society is based on long-term relationships that reduce the social uncertainty involved in trust. Within groups, repeated interactions and social relationships help to maintain commitments and increase people's loyalty to each other, which in turn brings about high levels of reliability reported here:

> *All my experiences with my counterparts were successful because trust is based on kinship bonds (E 12).*
> *Our loyalty to our country and to one another is a kind of tribalism (E 25).*

An observer in the UAE is bound to find family members (extended family and relatives, whether they are close relatives or related by marriage) employed in the same business organisation, holding high positions and dealing with each other on the basis of trust. This indicates that Emirati society is a closed one, based on culture, even though individual Emiratis may try to be more open. One Emirati banker described the situation in this way:

> *Objective considerations are of a secondary importance in determining the selection of counterparts. It is common to see many friends and relatives of top officials working together in their ministries, departments and banks. It is common also to see many friends from the same tribe working together and having business relationships with each other (E V).*

Inevitably, some Emirati respondents did business with non-family members, and indeed with non-Emirati counterparts, where some level of trust was involved:

> *I am a banker of a small bank and I don't hesitate to help any Emirati client. I have supported E 5 and NE 22 by giving them additional facilities (E O).*

Emiratis feel that they have a responsibility to help each other without expecting anything in return. This is an issue of trust, coupled with a strong feeling of kinship and honour towards the community: if the bankers are Emiratis, that is sufficient reason to trust them; the bankers, in return, want to help Emirati clients. Hence, this reciprocity requires parties not only to fulfil their duty, but also to go beyond contractual obligations to meet the partner's expectations:

> *The partners have to respond to each other and help each other without being asked (E I).*

Two out of forty-seven non-Emirati bankers who did business with Emirati clients claimed that a "premium name" was important to them. The non-Emirati bankers did not fully trust their Emirati clients, and asked for guarantees and documents, even if the Emirati clients were important people. Non-Emiratis who had been in the UAE for a long time and were aware of Emirati culture and the importance of an influential backer understood this:

> *Family name is important in this country. For example, the royal family and the kinship relationships in the Emirates are important, but 100 per cent should not be based on this; it is not a blind trust (NE U).*

> *Providing documents and abiding by the regulations are more important than the family name (NE18).*

Ties between Emiratis and their non-Emirati counterparts tended to be weak, entailing little time, emotional attachment or reciprocity. Partners with stronger ties were more likely to believe in the validity of information, and embedded ties gave partners the flexibility to solve problems because of the trust and mutual understandings that were developed.

Altruism: Emirati bankers are emotionally involved in business relationships; they tend to develop a caring attitude towards exchange partners and behave altruistically towards them. This altruistic benevolence did not seem to involve expectation of immediate payback, but the recipients of altruistic benevolence were likely to form positive attitudes towards the benevolent party, to have feelings of gratitude and to feel a moral obligation to reciprocate:

Sixty-four out of sixty-six Emirati respondents asserted that this culture of caring, in a society where they "manage" from the heart and work with each other, was a key element in fostering a positive business spirit. For them, this translated into a habit of involvement that was close and supportive. For Emirati relationship managers, altruism was central to the trusting relationship, in contrast to the Western notion of trust based on mutual reciprocity. Mutual reciprocity plays an important role among non-Emiratis, and it has started to play a role among Emiratis. Moreover, non-Emiratis have begun to lend more credence to the influence of "kith and kin"

> *The key factor in the success we have achieved is the support we have received from our counterpart, His Highness Sheikh X. As a result, we need to thank our counterparts for their support and help by caring about them and supporting them when they need it (E D).*

> *There is a mutual support between us. If my clients abide by the regulations and give me correct information, I will support them and help them (NE 14).*

***Wasta*:** this refers both to the acts of compromising and finding solutions, and to the person who performs this act (Cunningham and Sarayrah, 1993, p. 4). It plays a significant role in decision making and employment, and in business relationships in the UAE. It probably originated with tribal leaders interceding or mediating to solve problems and disputes. *Wasta* is essential to the operation of social processes, the transmission of knowledge and the creation of opportunity. During interviews, *wasta* was largely confirmed as being used extensively to hasten the process of document handling, achieve access to decision makers or influencers, and to gain priority among clients.

> *Are you waking up the sleeping lion? No one will answer your question (E 3).*

Wasta involves social networks of interpersonal connections, often rooted in family and kinship ties, and involves the exercise of power, influence and information sharing through social and political business networks. Emiratis explained the widespread use of *wasta* in cultural terms relating it to respected values, such as shared aims and loyalty, and referred to Emirati traditions of tribalism. Although most Emirati respondents denied its existence, Emirati bankers suggested that their clients retained the use of *wasta* for cultural reasons:

> *It is a way of life, but no one admits this openly. It is hidden (E T).*
> *In an Arabic society, you have to find wasta. It is something tribal (E C)*
> *Without wasta, we cannot live, we can't work! (E 22)*
> *The success of the relationship and winning a contract or getting more services and facilities is normally supported by the big guys. Know-who rather than know-how. (E 5)*

Interviewees justified *wasta* as a means of hastening document handling processes, achieving access to decision makers or influencers, and gaining priority for clients. Emirati managers used *wasta* to influence legislation and policymaking in their favour. Emirati bankers took *wasta* into consideration, which in turn affected their decisions and attitude:

> *If a certain client comes to me with wasta to give him more facilities, of course I am going to give him a low rate because he has wasta. For this reason, sometimes I feel obliged to break the bank policy (E E).*
> *It is not a favour, it is a duty to do something for your tribe. If you do not grant wasta, you are considered weird and without honour (E 28).*

The great majority of Emirati respondents stated that they used *wasta* to speed up procedures, and mainly justified it as a rational decision to exploit an advantage, often saying that the use

of *wasta* had positive aspects. Often, people asked for help in this way to obtain contact with the relevant decision makers. Many had friends or relatives in the government:

> *If you know someone, he will speed things up for you. Every business needs someone to do that for them (E 11).*

In addition, *wasta* was also used by Emirati managers to influence legislation and policymaking in their favour. Emirati bankers took *wasta* into consideration, which in turn affected their decisions and attitude. Moreover, offering *wasta* was regarded as adding positively to reputation. However, people who do not provide *wasta* cannot expect to receive help from others, should they ever be in need. This contributes to the pressure that each individual faces and tends to prompt people to grant *wasta*. Respondents indicated that there were specific instances when *wasta* was considered useful – when someone had the opportunity to receive training, or a position they would not otherwise have gained, or in the securing of medical treatment normally out of reach because of cost:

> *Any client who has a back will not be hit on his stomach; he is supported and has wasta and he will be given all the help and support (E G).*

Attempts to regulate traditional forms of networking (particularly Arab *wasta*) by legal or juridical constraints usually fail because the networks are intrinsically tied to trust, social structures and family connections (Hutchings and Weir, 2006). Two Emirati clients claimed that they had joined a campaign against the use of *wasta* with some non-Emiratis in Dubai. One Emirati client said that his Lebanese friend had a higher degree from the United States, but had been rejected for employment because he had no *wasta*, while somebody else was given the job even though he was not qualified because he had "big *wasta*". This rejection shattered his friend's confidence, especially as he could see no reason for it.

> *I finally understand the power of vitamin waw or wasta and how destructive that power can be (E T).*

Emiratis do not "earn" wasta with money: that would be considered a bribe and could result in ethical and legal difficulties. Money is indirectly involved, however, according to respondents, in developing *wasta* through gifts, meals and entertainment, which are used to establish credibility or goodwill. Non-Emiratis were less likely to have used status and position to gain *wasta*, but could acquire it through their networks and contacts. They dealt with counterparts according to law and regulations, reflecting the reputation non-Emiratis have for respecting the law. The bankers interviewed had a good reputation and worked for global banks; they were not willing to break the rules for the sake of *wasta*.

> *I don't accept any wasta even if it is from a big name. I work according to the law and documentations (NE O)*
> *Wasta is a corruption. I am against the use of wasta (NE 27)*

For Emiratis, this attitude indicated a kind of cultural blindness to the internal environment of the UAE. It was also seen as indicating that non-Emiratis were honest and had moral principles, however, making them more trustworthy in the eyes of Emirati counterparts. Non-Emiratis spoke of *wasta* in terms that negated its traditionally positive role in mediation:

> *I can only recommend that one should always respect the law and not even start doing anything illegal. I know its importance, but I don't accept wasta (NE H).*

However, four non-Emirati respondents claimed that they used *wasta* if they needed more support from their bankers. For instance, a French client with long experience in the area remarked,

If I need more facilities for my project, for example, I know exactly whom to use for wasta and I will have it tomorrow. If I want the same service in the UK, I need a long time of going through various stages of bureaucracy and I might still not get it" (NE 10).

SUMMARY OF THE RESULTS

Our findings suggest that the relationship between Emirati bankers and Emirati clients is a balanced or symmetrical relationship, and that of Emirati bankers to non-Emirati clients an asymmetrical relationship: there is a mismatch between the constructs, which the counterparts regard as important. Emirati bankers and Emirati clients seek affective, long-term relationships. Therefore, the manner in which clients are treated by the banker during the relationship is highly relevant, and reinforces shared values, such as friendliness, respect, dignity and kinship.

Emirati bankers deal with other Emiratis on the basis of trust as a means of demonstrating mutual support for both the individual and the society: patriotism is one of the antecedents of this trust relationship; tribal traditions form another. Trust is contextually determined by the high-context culture in which Emiratis have, historically, come to trust only other Emiratis. They predict the behaviour of others not by experience but in the belief that they will follow the same rules and values that they follow themselves.

The necessary social bonds for trust to take place remain strong because of the tribal culture in the Arab/Muslim context among the Bedouin Arabs. Emiratis are risk averse, communitarian and collectivist – all factors that contribute to the formation of trust relationships, alongside similarities of appearance, lifestyle, language, religion, culture and tradition. Emiratis are culturally homogenous and risk averse, and therefore prefer, given a comparison of options, to deal with other Emiratis where possible, to the exclusion of non-Emiratis.

Wasta, the hidden network of reciprocal favours and favouritism, was viewed very differently by Emiratis and non-Emiratis. The Emirati perspective of wasta is one of shared and deep-seated cultural obligation and reciprocity, derived from thousands of years of desert traditions, where mutual help and advantage were necessary for survival. Emiratis, for the most part, see *wasta* as a facilitator and a catalyst for advantage in business relationships. Non-Emiratis working for global banks take seriously the use of contracts, documentation, organisational rules and regulations, and the rule of law in their country of origin and country of operation. Many view *wasta* as corruption or nepotism, or the use of *wasta* as unfair, unfavourable or unnecessary. It would, in any case, be very difficult for a non-Emirati to gain *wasta*, although some claim that they have been able to gain sufficient Emirati confidence and trust to work their way into a *wasta* network over time.

A non-Emirati banker or client finds it difficult to establish trust with an Emirati counterpart without a thorough grounding in Emirati culture. Emiratis therefore have a very different perception of relationships, affective approaches and behaviours, temporality, risk aversion and trust-building behaviours, to name but a few variables, when compared to their non-Emirati business counterparts. Emirati perceptions are so bounded by these variables that they may find it difficult and uncomfortable, if not impossible, to try to understand or modify their perceptions to accommodate non-Emirati or Western business practices. In developing banker–client relationships, it is therefore incumbent upon non-Emiratis to understand, respect, adopt and adapt their business practices to include and embrace those aspects of Emirati culture which may be beneficial in business practice.

DISCUSSION

The results show that Emiratis and non-Emiratis have very different perceptions of the antecedents of trust in banker–client relationships. In addition, the antecedents have different salience for Emiratis and non-Emiratis. One of the strongest factors is culture, which has been forged through centuries of desert survival into social culture, tradition and lifestyle. This is characterised by patriotism, a strong

love of the nation, sheikdom and the ruling tribes. The Emirati Bedouins are tribal, and the tribe and tribal system are fundamental to altruism, kinship, *wasta*, the importance of clan and kith, and the family and extended family. The extended family lives together in a compound, with strict segregation of the sexes in every aspect of life except for married couples' sleeping arrangements.

These differences are shown diagrammatically in the following models for each of the counterparts. Figure 1 (appendix 1) shows the results for Emiratis, in which religion (with its emphasis on praying, believing, reading the Qur'an and charity) is the over-arching and fundamental aspect in their lives (cf. Pech, 2009).

Culture is demonstrated in this research to be the most important over-arching themes that control the antecedents of trust in an Emirati context. In an Emirati context, the social bonds are strong among Emiratis, due to their tribal cultural inheritance. Social bonding between Emirati bankers and clients in the UAE provides customised services that develop relationships, allows the clients to trust and to be satisfied with the bankers' services, and assists in understanding and learning about the client's needs and expectations. Emirati counterparts have strong bonds with each other; they are close to each other and supportive. Emirati business culture is based on social bonds and personal contacts – a precursor to developing a business opportunity. This can be contrasted with many non-Emirati approaches in which an opportunity may first be identified, and then a business relationship formed; seldom does this lead to any type of close friendship.

Social bonds (Rodríguez and Wilson, 2002; Smith, 1989) are an important antecedent of trust in an Emirati context. Thus, business clients and bankers build relationships by developing one or several types of bonds. Emirati business culture is based on friendship, which is seen as an antecedent to developing a trusting relationship. With non-Emirati partners, actions often "speak louder than words". However, in Emirati culture, an oral promise has its own value, independent of whether an action is taken which supports the words. The tension between the counterparts' perceptions of "words" vs "actions" leads to feelings of discomfort with the relationship. For non-Emiratis, in business relationships, the focus was on the project; there was, generally, no personal interaction or communication, no self-disclosure and no familiar knowledge base about the counterpart.

This research found that ties between Emirati counterparts are strong, as they are blood and social bonds. On top of this, Emirati counterparts will have spent time and effort in building relationships. This confirms the literature suggesting that the strength of ties can be determined by the amount of time, emotional intensity, intimacy and reciprocity of a relationship (Granovetter, 1985). Emirati culture prioritises group goals and outcomes over those of the individual, and defines people in terms of their tribal and extended family membership. As a result, Emiratis may be willing to make sacrifices for their own in-group. However, many non-Emiratis believe that competition fosters creativity and contributes to high performance. They may focus on the individual, and one person is usually given power to make the final decision and bear all responsibility. However, most Emiratis believe that everything must be in harmony for the world to function well, and that competition can lead to disharmony. Emiratis tend to be group oriented; although the highest authority in the group usually takes the final decision, responsibility for that decision is borne by the entire group.

The majority of Emiratis are sensitive to differences in opinion, prefer to stay safe and do not take risks; they are highly risk-averse. It is clear that such cultural strategies have a profound impact on clients' perception and behaviour, which influences the formation of trust in this area. Uncertainty avoidance in an Emirati context is related to anxiety, the need for security and dependence upon experts (Hofstede, 1980). Several interesting issues with regard to trust emerged from the data. The majority of Emirati people show loyalty and deep love for the royal family that heads the government; the government supports Emirati projects. Thus, a vital cultural antecedent of trust in an

Arab/Muslim context is patriotism. All the Emirati respondents' statements repeatedly pointed to trust as grounded in loyalty to the royal family and the government. Emirati cultural heritage places high value on the extended family and tribe as a source of identity, support and loyalty. It also legitimises a paternalistic authority structure that accords great influence to the father-figure role, and supports benevolent autocracy with ethical underpinnings (Hofstede and Bond, 1988).

Another important concept is that of *wasta,* which stems from an Emirati emphasis on interdependent personal relationships. When one person does a favour for another, they expect that person to provide some type of unspecified assistance in return. This action is automatic, and may be performed without asking. Non-Emiratis may think of *wasta* as a negative practice, which in turn causes frustration, resentment and possibly de-motivation. W*asta* is not based on Islamic law (and indeed may conflict with sharia), but on the cultural and shared values of the Bedouin Arabs who inhabit the Gulf States. While "connections" and "the old boy network" may also play a role in Western business and hiring practices, most non-Emirati employers hire, promote or accept business based on individual skills and performance. As a result, *wasta* is likely to be seen by non-Emiratis as, at best, favouritism and, at worst, nepotism or corruption. For the Bedouin Arabs, it is a deeply embedded culture.

CONCLUSION

The research questions were derived from the research objectives. To provide a foundation for the research, it was necessary first to determine

1. *What are the antecedents of trust on both sides of the dyad? From the perspective of Emirati and non-Emirati bankers and clients? What are the similarities and differences in the dyadic perspectives?*

Proposition 1 (P1)

Antecedents of trust will, or may be likely to, differ between
a.   Emiratis and non-Emiratis
b.   Bankers and clients

These results provide an understanding of the antecedents of trust in banking and financial services in an Arab/Muslim context. First, as far as could be ascertained, no previous research has investigated the antecedents of trust in an Arab/Muslim context. Secondly, the affective component of trust on the bankers' side of the relationship proved to be the most important antecedent of trust for Emiratis. Thirdly, Emirati religion, culture and shared values have been shown in these data to play an important role in cementing trust between the Emirati banker and Emirati client. Because of **these key mediating values**, trust is a "given" between Emiratis; it is automatic. Therefore, religion, culture and shared values are of fundamental importance to Emiratis. Emirati bankers and Emirati clients seek affective, long-term relationships. Therefore, the manner in which clients are treated by the banker during the relationship is highly relevant, and reinforces shared values, such as friendliness, respect, dignity and kinship. This finding may extend to other Gulf Arab nation states in particular, and the Arab/Muslim world in general, but may not be the case in non-Arab cultures. Lack of understanding of the fundamental importance of religion, culture and shared values, and failure to adapt accordingly, has led to distrust and relationship failure between non-Emirati bankers and Emirati clients. Inability to understand and operationalise the affective antecedent of trust has also led to relationship failure in Emirati/non-Emirati banking relationships.

This research provides valuable insight into the differences in religion, culture and shared values between Emiratis and their non-Emirati, international, temporary guest workers, who

are mainly from the Western developed world. This research provides evidence of Emirati religion, culture and shared values as key mediating variables that shape not only the Emirati social context but also banker–client relationships. In relation to **P1a**, it was found that although both Emiratis and non-Emiratis may perceive the same antecedents of trust, the salience of these antecedents differed from each perspective. Emiratis perceived the affective aspects of trust to be more salient, the cognitive aspects less so. Non-Emiratis perceived the cognitive and calculative aspects of trust as more salient, the affective aspects less so. This is shown clearly in figures 6 and 7, below.

Figure 1 (appendix 1), shows the conceptual model for Emiratis, with the overarching influence of the Muslim religion, which moderates all other cultural and shared values. The immediate core values associated with the Muslim religion are praying, believing, reading the Qur'an and charity (Pech, 2009, pp. 59–60). For Emiratis, this influence of culture and shared values moderates the antecedents of trust, shown on the right-hand side of the model, which are affective (and consist of benevolence, openness of communication and "antecedent" satisfaction) and cognitive (consisting of competence, reliability and integrity). Additional antecedents are Emirati risk aversion, and the importance attached to reputation and "saving face", which is especially important in a collectivist culture. The affective antecedents are far more salient for Emiratis than the cognitive antecedents, as represented by the sizes of the circles. Aesthetic and language constructs are also important to Emiratis. For Emiratis, their "word is their bond", and a feature of Emirati culture is that "saying equals doing", that is, importance is attached to talking and language, which may or may not be followed through with actions.

Figure 2 (appendix 2), in contrast, provides a conceptual model of non-Emirati religion, culture and shared values. Culture for this group was the culture of the international bank or industry for which they worked. This culture was predominantly normative, rule-bound, based on regulations and procedures. It was predominantly cognitive and knowledge-based, and the antecedents of trust were predominantly, but not exclusively, cognitive and calculus-based, rather than affective. The primary value for non-Emiratis was economic activity, with associated values of economic mentality, planning, annual income and profitability (Pech, 2009, pp. 59–60). Therefore, the religion, culture and shared values of non-Emiratis stand in sharp contrast to those of Emiratis.

The lifestyles of non-Emiratis are based on the expatriate community, the nuclear family and mixed gender socialising within the expatriate community social clubs, and on travel in the region. *No examples were found of socialising outside the work environment between Emiratis and non-Emiratis*. Since the Emiratis place such a high value on affective antecedents of trust and relationships, this means that it is impossible for these values to be met or fulfilled in business relationships with non-Emiratis. In relationships between Emiratis and non-Emiratis, this underlines a lack of comfort, undermines similarity, generates tension and may result in withdrawal, mistrust, sub-optimal relationships or relationship failure. In the case of an Emirati banker with a non-Emirati client, it means that the relationship may not be possible in the first place.

There is, then, a fundamental mismatch in the determinants of trust, which leads to less successful banker/client relationships, or to mistrust and relationship failure. It is notable that not a single instance could be found of a non-Emirati client in a corporate banking relationship with an Emirati banker for purposes of the field research.

In P1b, it was found that the banker/client relationship, between the non-Emirati banker and non-Emirati client, which was non-context dependent, reflected that found in the literature. The relationship between bankers and clients depended on the size and reputation of the

bank, and the size of the business. Multi-national corporations multi-banked and used specific bankers for specific aspects of their business. SMEs had more personal, affective relationships with their bankers. The non-Emirati relationships were in agreement with the literature.

2. *Are the antecedents of trust contextually or situationally referenced or determined? If so, how? What is the extent of cultural influence?*

Proposition 2 (P2)

If antecedents of trust are contextually and situationally determined, that is, if they may be culturally conditioned, then antecedents in an Arab/Muslim context will be context specific. In the Arab/Muslim world, the antecedents of trust are determined **by the context**, which combines religion, culture and shared values. The role of religion, culture and shared values in the antecedents of trust is addressed here. Duranti and Goodwin (1992) believe that context is important. The present results demonstrate that religion, culture and shared values are over-arching influences, which are much stronger than the culture of an organisation – in this case, an international bank or company. An array of contextual factors has been noted to affect trust; some authors understand context in a broad sense and equate it with culture. Hill (1995) also shows that the context of culture affects trust. Wicks et al. (1999) argue that the cultural context may add a new dimension to the trustor's choices. They suggest that a larger context may make decisions to trust unwise (Wicks et al., 1999). Granovetter (1985) developed the notion of embeddedness to show the influence of social settings on trust. It can be seen in this research that in an Arab/Muslim context, religion, culture and shared values are embedded in the social fabric of the Bedouin. This research found that trust among non-Emirati partners was minimal in relation to their own kind, and to Emiratis. In contrast, Emirati respondents claimed that they trusted people whom they knew, that is, only fellow Emiratis.

The results show that P2 is demonstrated in these data, and that the antecedents of trust in an Arab/Muslim context are context specific. The main finding of this research is the overarching influence of religion, culture and shared values, which act as key mediating variables on the antecedents of trust. Morgan and Hunt (1994) define "shared values" in the limited sense of "organisational", or "employee to organisation". This is a more limited definition than that of Schwartz and Rubel-Lifschitz (2009). Schwartz defines values as "broad, trans-situational goals that vary in importance as guiding principles in life. The crucial content aspect differentiating among values is the motivational goals they express" (Schwartz and Rubel-Lifschitz, 2009, p. 171; see also earlier research by Schwartz, 1992, 1994, 2007).

The results show that for all these clusters in an Arab/Muslim context, religion, culture and shared values were key mediating variables for the antecedents of trust. That is, for Arab/Muslims, business interactions are conducted through the mediating effects of religion, culture and shared values. It was found that these key mediating variables are deeply embedded in the individual and collective social psyche. In the interactions with non-Emiratis, it appeared to be impossible for the Emiratis to modify these deep archetypal values, interwoven with religion and culture. In dealing with Emiratis, it appears that the understanding must come from non-Emiratis. The clusters for the consequences of trust have also been derived from the literature, and are therefore expanded from the Morgan and Hunt (1994) model. Although the consequences of trust are outside the scope of this research, they are included in the model for completeness.

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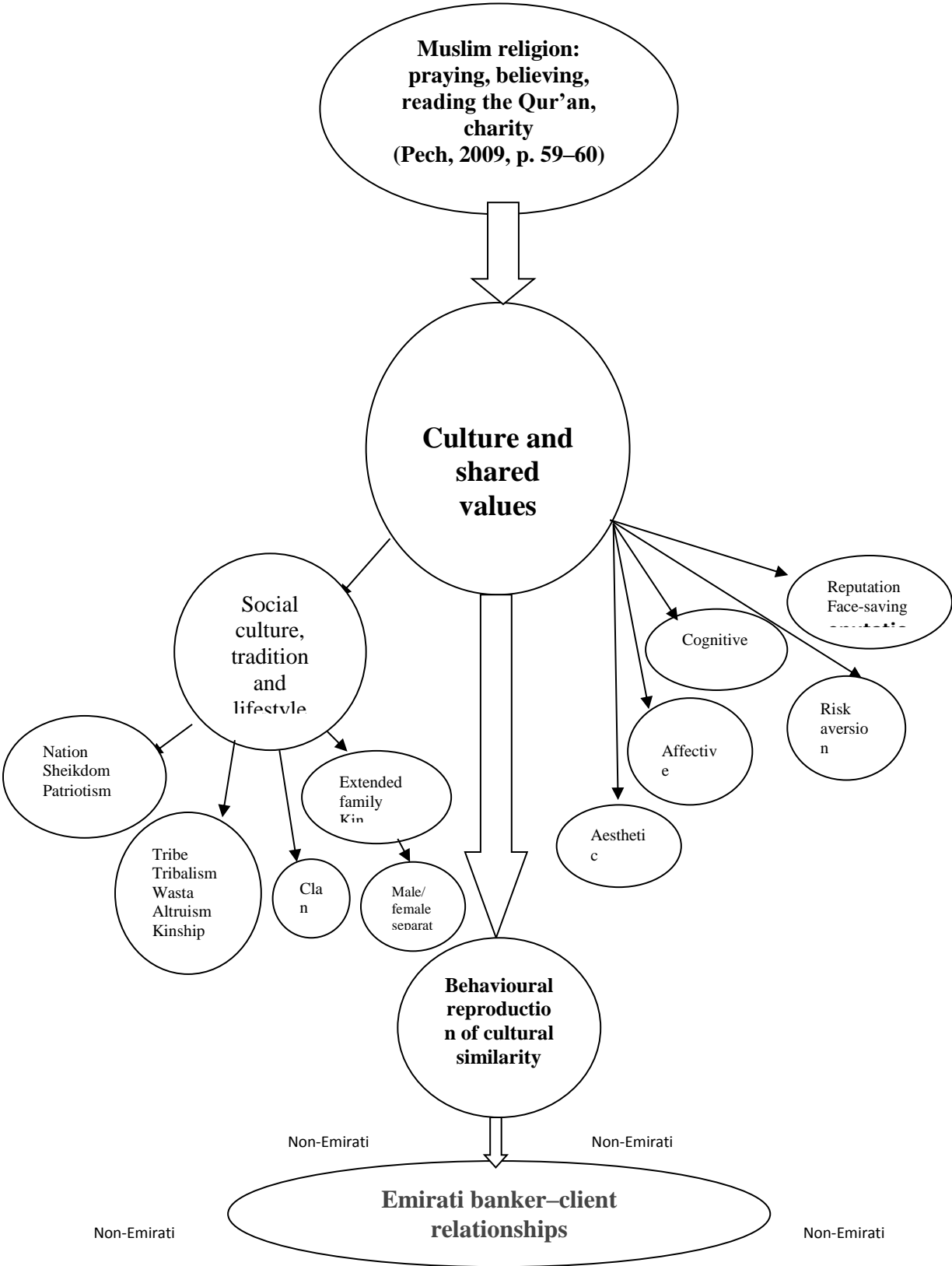
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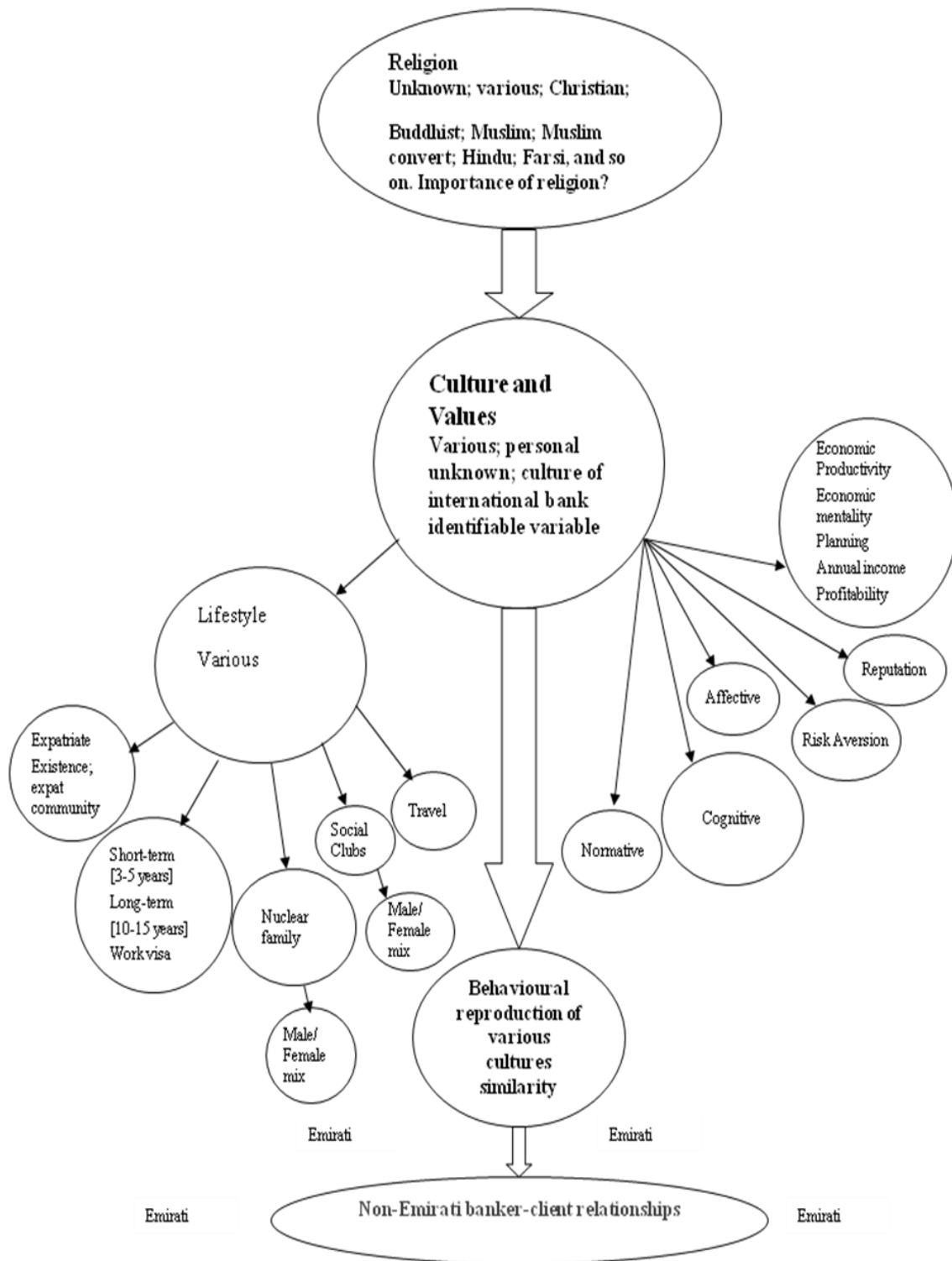
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Figure 1 Emirati culture and shared values

Muslim religion: praying, believing, reading the Qur'an, charity (Pech, 2009, p. 59–60)

Culture and shared values

Social culture, tradition and lifestyle

Nation Sheikdom Patriotism

Tribe Tribalism Wasta Altruism Kinship

Clan

Male/ female separat

Extended family Kin

Aesthetic

Affective

Cognitive

Reputation Face-saving

Risk aversion

Behavioural reproduction of cultural similarity

Non-Emirati

Non-Emirati

Non-Emirati

Emirati banker–client relationships

Non-Emirati

Figure 2 Non-Emirati culture and shared values