Wasta Social Capital: The Networking Ascendancy of Arab Family Business

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Abstract

Purpose: This research examines the networking alternatives available to family enterprises inside the Gulf Cooperation Council (GCC) and the influence of Wasta. The main emphasis is on the impact of networking on Arab family enterprises. It aims to comprehend the fundamental significance of Wasta in Arab Family Businesses (AFB).

The research seeks to elucidate the view of Wasta as a networking mechanism in family companies, examining its potential advantages and limitations. It also aims to investigate the correlation between other Arabic ideals such as Asabiyyah (Solidarity), Thiqa (Loyalty), Walaa (Trust), and Namus (Family Identity).

Methods: The research employs a mixed-method approach. It is a naturalistic, inductive, exploratory study with two theoretical and purposeful samples. The study begins with a thorough survey with a sample of 38 family business members designed to reveal the theoretical substances of Arab Family Businesses (AFB). It then moves to qualitative, open-ended interviews to collect in-depth perspectives from participants, clarifying the results of the initial quantitative survey from the GCC. The study comprises inquiries categorized into three segments: a. Networking; b. Familial Discourse; and c. Societal Ties Pertinent to the Arab Community. In this exploratory study, we use the interpretivism rationale to provide unique insights and understand (verstehen) family social capital within Arab society, such as Wasta Networking.

Results: The findings demonstrated that Wasta significantly related to the concepts of Walla, Thiqa, Asabiyyah, and Namus. It is also indicated that Arab family enterprises employ Wasta to gain advantages or solicit assistance; its impact can be beneficial or detrimental, depending on its application. Furthermore, the study revealed that most family company proprietors regard Wasta as a networking method that involves intercession, mediation, loyalty, and trust.

Keywords

Family Business, Wasta, Networking, Intercession, Mediation, Trust, Loyalty, GCC, Bahrain.