Defining the Organizational Culture that Drives Strategic Innovation in Micro, Small and Medium Enterprises in Egypt

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ABSTRACT

This study focuses on the impact that organizational culture has on driving strategic innovation in Egyptian Micro, Small and Medium Enterprises (M/SMEs). The organizational culture constitutes an integral intangible resource that defines the organizational fabric of these enterprises, which calls for better understanding of the dimensions of the support culture that could influence and enhance innovation and hence improve performance and the growth of M/SMEs in the Egyptian economy. Much research has been done in this area in western countries, which intrigued the researchers to examine the impact Middle Eastern cultural dimensions have on strategic innovation in M/SMEs. This study aims to examine how the different cultural dimensions, as categorized by Hofstede’s cultural framework, have influenced the strategic innovation of M/SMEs in Egypt. A single cross sectional descriptive design was used; a purposive sample of 110 employees in micro, small and medium enterprises in Egypt was drawn from top managers, middle managers, and non-managerial levels. Data was collected through a questionnaire that was adapted from existing scales and that was used as a data collection tool in a bigger research project investigating variables that affected strategic innovation in M/SMES in Egypt. Results showed that equality, prediction, and positive work relationships were drivers of strategic innovation in Egyptian M/SMEs.

Keywords: Organizational Culture, Innovation, M/SMEs, Egypt