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

Sayed ElKhouly, Ain Shams University
Rania Marwan, Ain Shams University

ABSTRACT

This study focuses on the impact that organizational culture has on driving strategic innovation in Egyptian Micro, Small and Medium Enterprises (M/SMEs). 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 can 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 has prompted the researchers to examine the impact of Middle Eastern cultural dimensions on strategic innovation in M/SMEs. This study looks at how different cultural dimensions, as categorized by Hofstede’s cultural framework, influence 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, which was then used as a data collection tool in a bigger research project investigating variables that affect strategic innovation in M/SMEs in Egypt. Results show that equality, prediction and positive work relationships are drivers of strategic innovation in Egyptian M/SMEs.

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