



**Peter Hedlund,
General Manager - Middle East,
Aconex**

<http://www.aconex.com/>

Aconex is an on-line document management and web collaboration system that uses the Internet to manage information for projects of all sizes in construction, engineering and facilities management. Aconex is being used at a number of Middle East locations, including Bahrain.

Peter Hedlund says the key to success in Bahrain is to maintain a physical presence. 'It's no good flying in and out. The most effective follow-up is done by staying in the market.'

'Our support structure works very well because we have a local presence. It shows that you have a level of commitment. With the Bahrain market expanding there are more and more firms flying in and there is intense competition. It is important to regard your business as a long-term proposition.

'Having a physical presence in the market is also your best negotiating technique. It costs a lot of money but it's worth it.

'Bahrain is an attractive market for us because there is huge potential for growth. It has large real estate developments on the go and has big plans for the future.

'It's a small island with only a million people, so news – good and bad - travels fast, usually by word of mouth.

'One difficulty is that the labour laws are constantly changing. For our particular line of work, as an Internet solutions based company, another problem is that the Internet is not always so good.

'Payment can be a problem, though that is not confined in the region to Bahrain. You need to have procedures in place to manage it.

'The way of doing business in the Middle East can be a shock for Westerners, but it can be fun and challenging.

'As in all Middle Eastern countries, relationships are the key to success. It is vital to understand Arab business culture, especially in Bahrain where locals are much more visible than, say, Dubai and much more active in the industry.

'How does the business culture differ? Discipline for meetings is much different to the Western model. You can go into a meeting with a set agenda and the outcomes you want, but usually it won't go the way you planned. The locals are much more personal in meetings. People will talk about family and friends ahead of business.

'Overall we probably underestimated how difficult it would be to enter the Bahrain market. You look at Bahrain and it's only a small island with a million people but it took longer than we anticipated. This will change over time.

'There is help available from Austrade and the Government of Victoria.

'You can do lots of research from behind the desk but in the end you just have to be there.'