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### THE PERCEPTION ON WOMEN ENTREPRENEURS IN SAUDI ARABIA

*Manal Saleh Babge<sup>1</sup>, Yosra Hamas<sup>2</sup>*

<sup>1,2</sup> College of Business, Effat University, Qasr Khuzam St., Kilo. 2, Old Mecca Road.  
P.O.BOX 34689, Jeddah 21478, Saudi Arabia

<sup>1</sup>[msbabge@effatuniversity.edu.sa](mailto:msbabge@effatuniversity.edu.sa), <sup>2</sup>[ymhamas@effatuniversity.edu.sa](mailto:ymhamas@effatuniversity.edu.sa)

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#### **ABSTRACT**

Women entrepreneurs in Saudi Arabia are demonstrating great potential in the field of entrepreneurship. This work has analyzed the significant role of business culture in the perception of women entrepreneurs in Saudi Arabia. This work was done using quantitative method. Data collection was done using survey questionnaire. The number of samples for this study was 100. The data were analyzed using basis statistics. The findings have shown that the women entrepreneurs in Saudi Arabia face several problems. The respondents have stated that 20 % of the problem faced is lack of self-confidence, 30 % stated lack of achievement, 15 % stated lack of initiative, and 15 % have stated personal problems. Nevertheless, the findings of this work have also shown that about 65 % of the respondents agreed that opportunities are provided to women entrepreneurs to be creative and profitable in their business. Likewise, the results showed that 70 % agreed that women entrepreneurs have opportunity in the business market. Furthermore, 55% agreed that women entrepreneurs are able to contribute to the economy of Saudi Arabia. Finally, majority of the respondents agreed that the government must further enhance their support to develop the women entrepreneurs.

#### **INTRODUCTION**

The entrepreneurship sector has always been considered as the most important factor in socio-economic growth and development as it provides people with different job opportunities [1]. The entrepreneurship sector has the ability to increase national prosperity, gross domestic product (GDP) and competitiveness [2].

In Saudi Arabia, the Saudi government understands that women startups and entrepreneurs can contribute to the Saudi economy while working within the limits of social norms [3]. It is therefore important to increase the number of Saudi women entrepreneurs to boost the economy. The government prioritizes female Saudi entrepreneurs. For example, the Saudi government has established the Al-Barakah Loan Center of King Abdul Aziz Women Charity Association [4]. The aim of this charity association is to help women finance their expenses so that they can start their businesses. But due to the lack of awareness, only few women were able to take advantage of this association [4].

Saudi Arabia's government launched its 2030 vision during the year 2016, which aims to transform Saudi Arabia into a country with huge opportunities. This vision aims at supporting medium and small businesses and creating more job opportunities. Furthermore, it also allows small businesses to become the largest contributors in the Saudi economy and its gross domestic product [5].

Although Islam allows men and women to do business and to have access to all educational and health benefits, the strict interpretation of Islamic laws and regulations has restricted women's access to education and employment and other opportunities [6]. Women in Saudi Arabia have faced a challenge of prohibiting gender intermixing from many decades. These restrictions have limited career opportunities for Saudi women [7]. Females can only teach in all-girls school or are allowed to work in the area of health professionals and social welfare services where there is a minimum amount of contact with the Saudi men [8]. Furthermore, according to Basaffar et al. [9], women are shy and due to cultural norms and traditions, they don't socialize much. To protect women, many Saudi families do not allow women to work or become entrepreneurs [9].

Similarly, Saudi women who work on their own businesses were not allowed to drive, which was a major inconvenience factor for Saudi women [10]. Other factors that contribute to the challenges and costs of doing business for Saudi women are that all staff must consist of women [11]. It is also necessary to only locate the business in a designated women's section. In addition, men and women have different entrances and exits. In addition, if there is a men's section, a male supervisor must be hired [11].

The Saudi government is now prioritizing women's opportunities to acquire new skills and opportunities for women in Saudi Arabia, which in turn will give women numerous career opportunities [12]. Furthermore, Saudi Arabia's women were given the opportunity to start their own businesses, which was a major change in the policy in the history of the Kingdom, because if a woman in previous years wanted to own her own business, she would have to obtain permission from her male guardian [9]. Moreover, the number of women in the Saudi workforce, particularly in the field of entrepreneurship, is increasing due to the large participation of women in bazars where women are encouraged to sell homemade food, handicrafts, and other goods [13]. In addition, women in Saudi Arabia have started using online websites and other social media platforms in recent years to advertise their businesses [12].

Women have always been an integral part of the Saudi Arabia community. Due to the sheer strict Saudi culture and traditional norms, Saudi women's commitment to entrepreneurship has always been lower compared to women from different parts of the world [14]. In recent times, the Saudi government has been encouraging women by releasing programs that can help women become business owners. This work aims at creating awareness among the Saudi population in raising female entrepreneurs. Hence, this work has analyzed the significant role of business culture in the perception of women entrepreneurs in Saudi Arabia.

## **METHODOLOGY**

This work has adopted a quantitative research method. The number of samples of this work is 100, comprising of university students in Jeddah, Saudi. Data

was collected using questionnaire survey. The results were analyzed in terms of basic statistics and are presented in graphical form.

## RESULT AND DISCUSSION

### *Demographic Characteristics*

Based on Figure 1, 56 % of the respondents were in age group between 18 to 24 years, 32% were in age group between 25 to 34 years and 12% were in the age group between 35 to 45 years old.

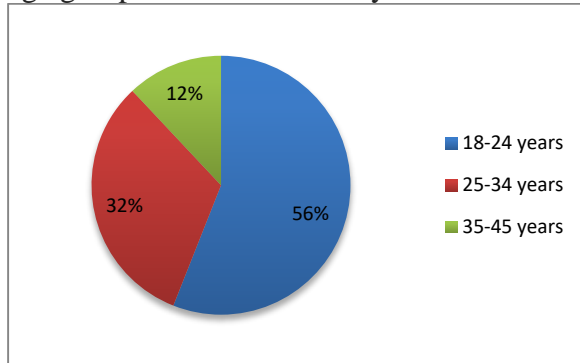


Figure 1. Age of the respondents

Based on Figure 2, 15 % of the respondents were male and 85 % were female.

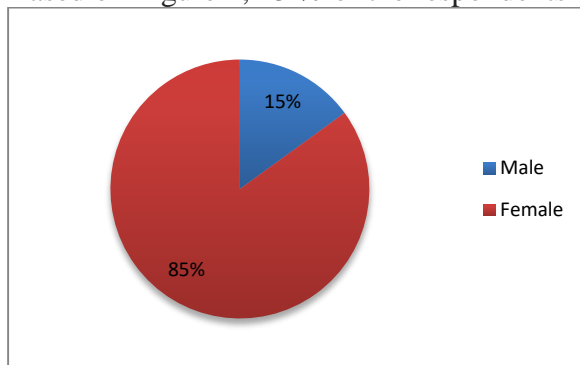


Figure 2. Gender of the respondents

Based on Figure 3, in terms of highest level of education achieved, 80% of the respondents have completed bachelor's degree. 15 % have completed master's degree and 5% have completed high school.

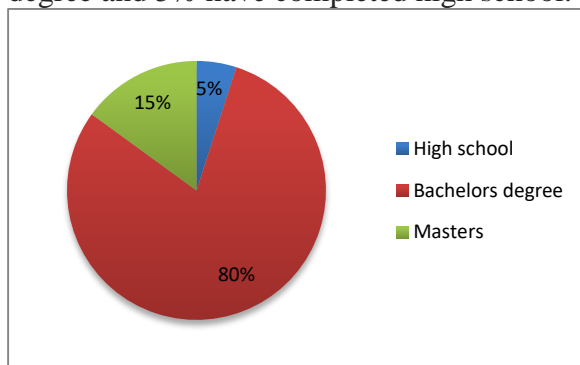


Figure 3. Highest level of education

### Questionnaire Analysis

For this work, the respondents were asked several questions related to the challenges faced by woman in entrepreneurship. Therefore, the response to the questions is presented in this section. Based on Figure 4, the respondents were asked 'What type of problem do women entrepreneur face?'. Thus, based on Figure 4, 14 % of the respondents have stated that women

entrepreneur face personal problems, 40 % stated that women entrepreneur face social problem, 15 % stated financial problem, 7% stated raw material problem, 7 % stated marketing problem, 7 % stated human resource problem, 5 % stated managerial problem and 5 % other problems.

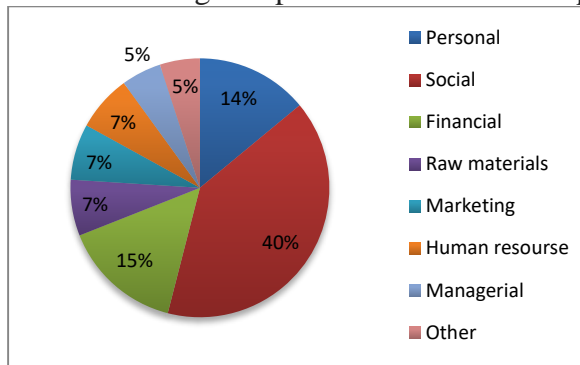


Figure 4. General problem faced by woman entrepreneur

Based on Figure 5, the respondents were asked ‘ What type of problem do women entrepreneur face in Saudi Arabia?’. Thus, based on Figure 5, 15 % of the respondents have stated that women entrepreneur face personal problems, 20 % stated that women entrepreneur lack of self-confidence, 15 % lack of initiative, 30 % lack of achievement , 5 % stated economic risk, 7 % stated risk bearing , 5 % stated lack of leisure time and 3 % stated other issues.

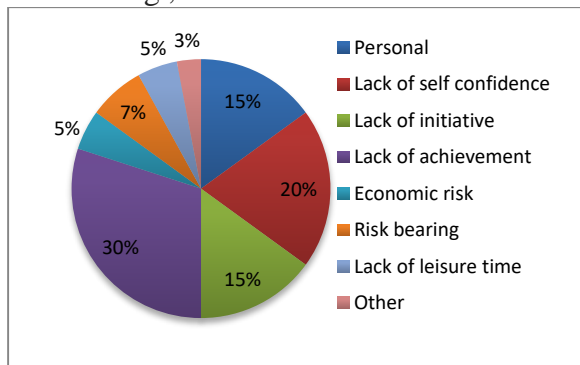


Figure 5. Problem faced by women entrepreneur in Saudi Arabia

Based on Figure 6, the respondents were asked ‘Do women entrepreneurs face difficulties while finishing business task?. Based on Figure 6, 30 % strongly agree, 40 % agree, 20 % were neutral, 5% disagree, and 5 % strongly disagree.

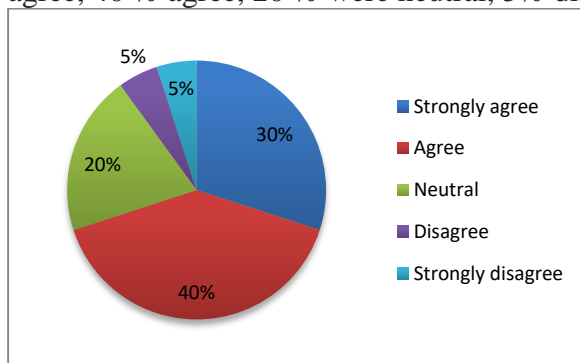


Figure 6. Women entrepreneurs face difficulties while finishing business task

Based on Figure 7, the respondents were asked ‘Do women entrepreneurs face difficulties while delegating task and receiving responses?. Based on Figure 7, 20 % strongly agree, 20 % agree, 40 % were neutral, 5% disagree, and 15 % strongly disagree.

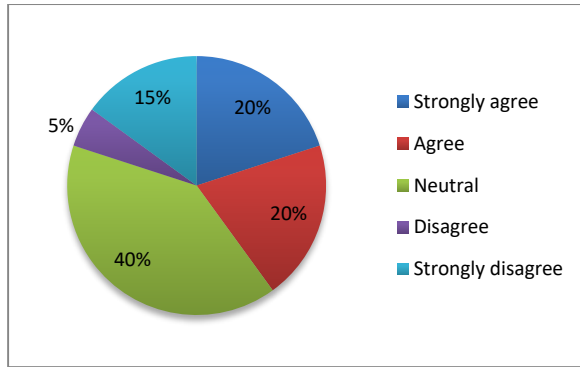


Figure 7. Women entrepreneurs face difficulties while delegating task and receiving responses.

Based on Figure 8, the respondents were asked ‘Are opportunities provided to women entrepreneurs to be more creative and profitable in their business?’. Based on Figure 8, 10 % strongly agree, 35 % agree, 30 % were neutral, 10% disagree, and 15 % strongly disagree.

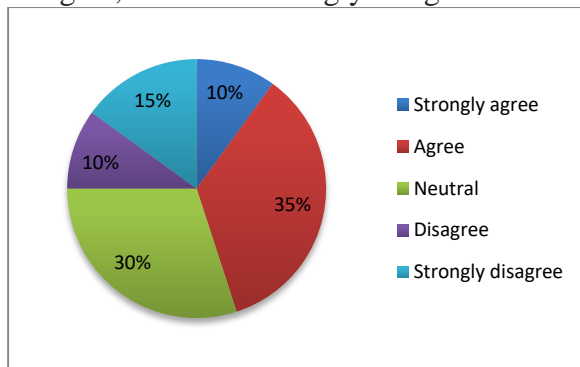


Figure 8. Opportunities provided to women entrepreneurs to be more creative and profitable in their business.

Based on Figure 9, the respondents were asked ‘Do you think entrepreneurship training for women imparts necessary skills to develop business?’ Based on Figure 9, 25 % strongly agree, 35 % agree, 30 % were neutral, 5% disagree, and 5 % strongly disagree.

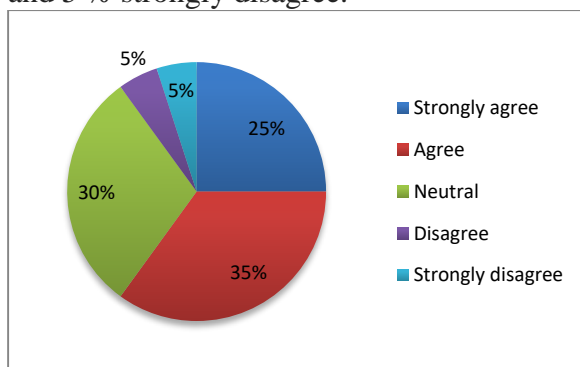


Figure 9. Entrepreneurship training for women imparts necessary skills to develop business.

Based on Figure 10, the respondents were asked ‘Do you think entrepreneurship training enhances abilities and capabilities of woman entrepreneurs?’. Based on Figure 10, 35 % strongly agree, 30 % agree, 15 % were neutral, 5% disagree, and 5 % strongly disagree.

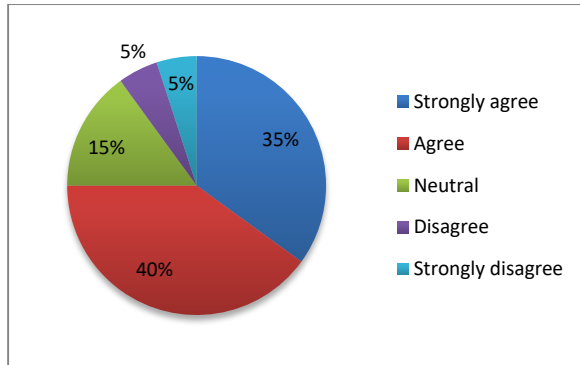


Figure 10. Entrepreneurship training enhances abilities and capabilities of woman entrepreneurs

Based on Figure 11, the respondents were asked ‘Do you think women entrepreneurs face problems while running their business enterprise?’. Based on Figure 11, 20 % strongly agree, 35 % agree, 25 % were neutral, 10% disagree, and 10 % strongly disagree.

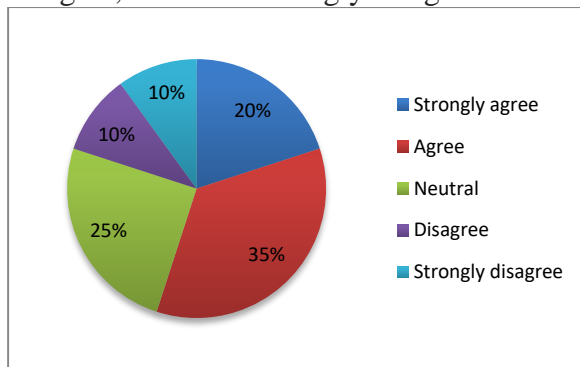


Figure 11. Women entrepreneurs face problems while running their business enterprise

Based on Figure 12, the respondents were asked ‘Do you think women entrepreneurs have opportunity in the business market?’. Based on Figure 12, 10 % strongly agree, 30 % agree, 40 % were neutral, 10% disagree, and 10 % strongly disagree.

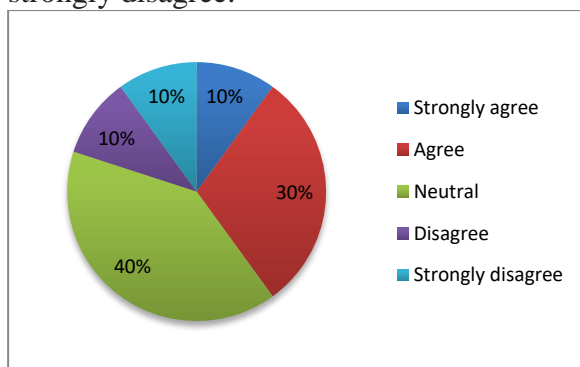


Figure 12. Women entrepreneurs have opportunity in the business market

Based on Figure 13, the respondents were asked ‘Do you think women entrepreneurs will be able to contribute to the economy of Saudi Arabia?’. Based on Figure 13, 20 % strongly agree, 35 % agree, 25 % were neutral, 10% disagree, and 10 % strongly disagree.

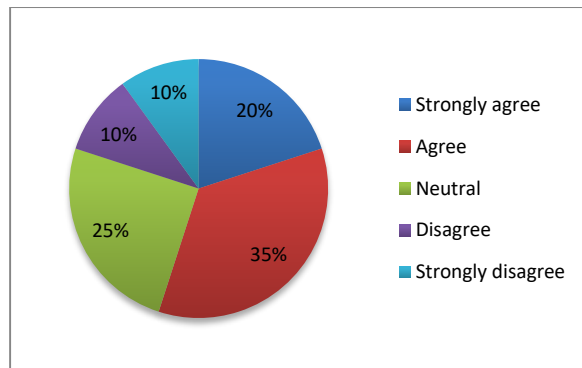


Figure 13. Women entrepreneurs will be able to contribute the economy of Saudi Arabia

Based on Figure 14, the respondents were asked 'Do you think Saudi Arabia's government needs to further support the development of women entrepreneurs in Saudi Arabia?'. Based on Figure 13, 35 % strongly agree, 35 % agree, 20 % were neutral, 5 % disagree, and 5 % strongly disagree.

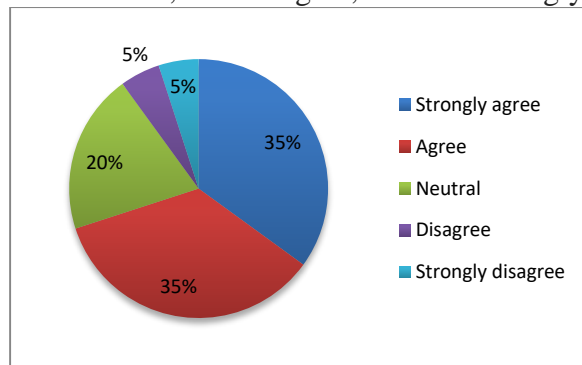


Figure 14. Government needs to further support the development of women entrepreneurs in Saudi Arabia

### ***Overall Discussion***

The findings of this work showed that, in Saudi Arabia women face difficulties while starting their businesses. The difficulties include personal problems, lack of self-confidence, lack of initiative, lack of achievement, high economic risk and other related issues. Furthermore, the findings of this work have shown that women entrepreneurs have trouble while finishing business task, while delegating task and while receiving responses from other parties. On the other hand, the findings have also shown that opportunities are being provided to women entrepreneurs to be more creative and profitable in their business. Likewise, the results have shown that entrepreneurship training imparts necessary skills for women and it provides the opportunity for them to enhance their capabilities. Welter et al. [15] stated that women entrepreneurs are developing rapidly around the globe and their overall skills can be fully utilized for business development with proper training and exposure. In addition, results have shown that women entrepreneurs face problems while running their business enterprise, such as lack of proper funding and resources and limited amount of support from the Saudi government. Furthermore, the results have shown that women entrepreneurs have opportunity in the Saudi business market. Moreover, majority of the respondents have stated that women entrepreneurs will be able to contribute to the economy of Saudi Arabia. In addition, the results of the survey have shown that Saudi Arabia's

government needs to further support the development of women entrepreneurs. This can be done by increasing their current efforts and policies that are available to support the development of women entrepreneurs. The overall findings of this work are similar to the work done by Stead [16] where it was stated that women entrepreneurs face problems while performing their business and that proper support needs to be provided so that they can strive to an excellent level. In addition, Leitch et al.[17] agreed that government needs to provide support in terms of good policies to enhance women entrepreneurs' development. Not only will this help the women's community to be successful in the business market, it will also contribute to the overall economic development of the nation involved.

### CONCLUSION

This work has examined the significant role of business culture in the perception of women entrepreneurs in Saudi Arabia. The key findings of this work have shown that women entrepreneurs face problem in their business venture. Furthermore, the results have shown that women entrepreneurs have opportunities in the business market and will be able to contribute to the country's economy. Likewise, results have shown that the government needs to provide further support for the development of women entrepreneurs at Saudi Arabia. This will also benefit the government in return as the overall economy of the country will prosper.

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