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THE SOCIAL DIMENSIONS OF ENTREPRENEURSHIP IN KINGDOM OF SAUDI ARABIA

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ABSTRACT

The identification of social entrepreneurship in Kingdom of Saudi Arabia was main theme that also reflected on importance of entrepreneurship, social enterprises and its impact on societies and influence on Kingdom of Saudi Arabia. The effectiveness of social entrepreneurship and social enterprise had been discussed throughout the study to understand the impact which influenced Saudi perception toward entrepreneurship and any positive outcome expected from the efforts for the future of Saudi Arabia. The study aimed to identify to effectiveness of social entrepreneurship and its outcomes toward different target groups in Kingdom of Saudi Arabia. The study had been used quantitative approach which information accomplishment through numerical measurement, trends or statistical truth such as quantities through this study. The data was collected through questionnaires acquisition and analysed through Microsoft Excel. The questionnaire was designed based on selected objective to understand participant certainty and gain result. The result was indication of aspirations that showed that economic value was equivalent to the development of social and environmental values in Saudi Arabia.

INTRODUCTION

Kingdom of Saudi Arabia has opened diverse entryway for its nationals since decade ago. The legislature has been cultivating enterprise through assorted methodologies and Kingdom of Saudi Arabia has been positioned on high number for good place to work together because arrangements, proficient market and refined commercial centre.

Entrepreneurship is a process that occurs over a period of time [1]. Entrepreneurship has been widely promoted in Kingdom of Saudi Arabia through organized workshops to encourage the people for different initiatives. The chamber of commerce and industry has been organizing events in the entrepreneurship in collaboration with Global Entrepreneurship World (GEW) to convey the essence of entrepreneurship to Saudi Arabia and better advantage to all enthusiastic entrepreneurs.

The entrepreneurship is defined as the act of being an entrepreneur which derived from French word “entreprendre” meant “pursuing the opportunities, undertaking-embarking, meeting the needs and demands through initiating an innovation and work” [2]. The entrepreneurship is important over past decades at macroeconomic level which influenced economic growth and micro-level which is factor for corporate renewal an innovation of new products and processes [3].

Traditional entrepreneurship also defined as innovative business with high risk creating added value [4]. Meanwhile, entrepreneur is defined as individual with different values, attitudes and needs which drive and differentiate this individual from others [5]. Global Entrepreneurship Monitor report mentioned current number of entrepreneurs is 582 million which is significant increase over 400 million worldwide in 2011 [6]. The entrepreneurs have influenced society economic growth, politics and create solutions to community problem at large [7].

The entrepreneur seeks for advancement rather than pointing out issues and problems in existing ideas to be resolved in a different manner. The resource-based theory of entrepreneurship indicates that different types of entrepreneurs influence different types of resources to complete the task. These resources may vary such as adding value to the venture related to the capital, development of social network through the spreading of information and support from human resources includes education.

The difference between a business entrepreneurs and social entrepreneur has played humungous role in the development of societies as well as economies. Social entrepreneurs usually faced distinctive challenges to reflect their mission that is explicit and central. Social entrepreneurs perceive their strategic approach based on their mission and equally assess opportunities and outcome reflects the central criterion.

The women entrepreneurs have been working in the economy growth and different initiatives taken by Saudis. The increasing Saudi women entrepreneurs become government priority with established King Abdulaziz Women’s Charity Association’s Al-Barakah Loan Centre [8]. Socio-economic background is main factor that influenced women to start the businesses [7]. In Singapore, women entrepreneurs are starting businesses at twice rate compared male counterpart [9]. Singaporean women tend up to date with latest technology and applied in their business [10].

There are three reasons that women start their own business such as freedom in the workplace, more security and more satisfied with work [11]. The women owned business provides certain security after experienced difficulty, divorce or no longer working [10]. Most women did not have experience in training but successfully launch a business [10]. Lacking in skills and knowledge also increase the difficulty for women entrepreneur to be successful [12].

The basic need to comprehend the endeavours of business toward being social is subject to few reasons that are related with business idea or individual intrigue. The condition that brought social business enterprise up in Kingdom of Saudi Arabia has seen numerous accomplishments toward help and foundation of economy and picked point for examination ponder. The study aimed to identify to effectiveness of social entrepreneurship and its outcomes toward different target groups in Kingdom of Saudi Arabia.

METHODOLOGY

The study had been used quantitative approach which information accomplishment through numerical measurement, trends or statistical truth such as quantities through this study. This approach type is feasible with questionnaires usage for data collection. The primary data was collected through the study process that mainly included data collected. In general, the insights were gained by reviewed secondary research or analysed the primary data collection.

The example size of objective populace was in any event accumulation of information from 100 pools while auxiliary information was gathered through investigated articles, books or websites. The data was collected through questionnaires acquisition and analysed through Microsoft Excel.

The questionnaire was designed based on selected objective to understand participant certainty and gain result. Therefore, the question selection in questionnaire was highlight different question relevant to understand for desired outcomes. The questionnaire had been divided into two parts which based on demographics such as age, gender and educational background. The second part was helped in identify the correlation of participant with social enterprise or entrepreneurship. The participant is questioned on the understanding of entrepreneurship role and its outcomes toward social, economic and environmental values. Besides, the questionnaire also provides an insight towards social value creation and focus of people towards economic value through entrepreneurial activities.

RESULT AND DISCUSSION

Result

In Figure 1, 39% respondents were aged between 18 years old and 24 years old and 40% respondents who actively participated were aged between 25 years old and 34 years old. Meanwhile, 8% respondents were aged 35 years old and 44 years old and 6% respondents were aged 45 years old and 54 years old.

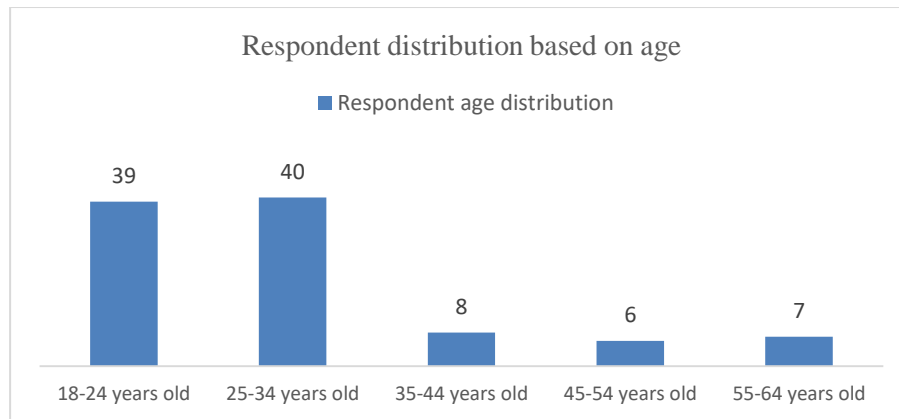


Figure 1. Respondent distribution based on age.

There were 65% respondents were female and 35% respondents were male as shown in Figure 2.

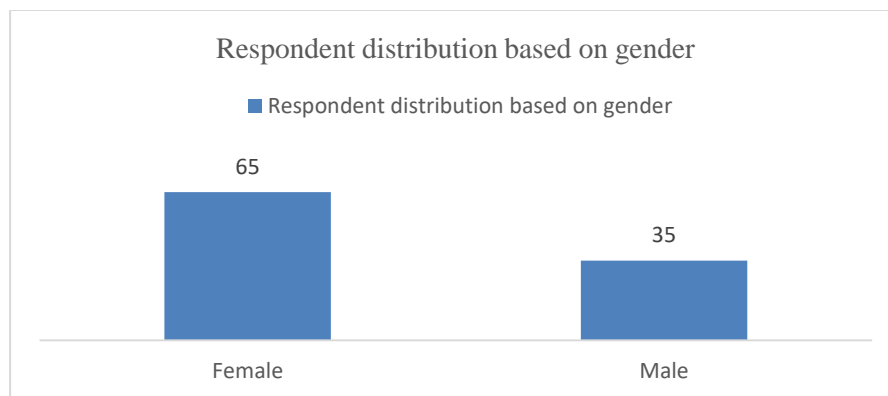


Figure 2. Respondent distribution based on gender.

In Figure 3, 8% respondents had attended high school and 78% respondents had completed bachelor's degree. Meanwhile, 14% respondents were completed their postgraduate level. This result showed educational background had influenced the study outcomes.

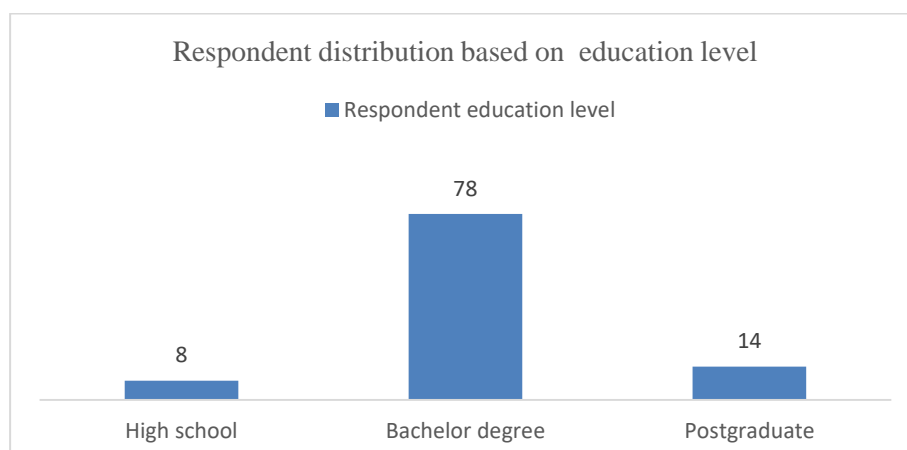


Figure 3. Respondent distribution based on education level.

In Figure 4, 92% of respondents claimed that social entrepreneurs and 8% respondents were employees of social enterprise. This result provided an impression that population concept for being entrepreneur and part of social enterprise was clear.

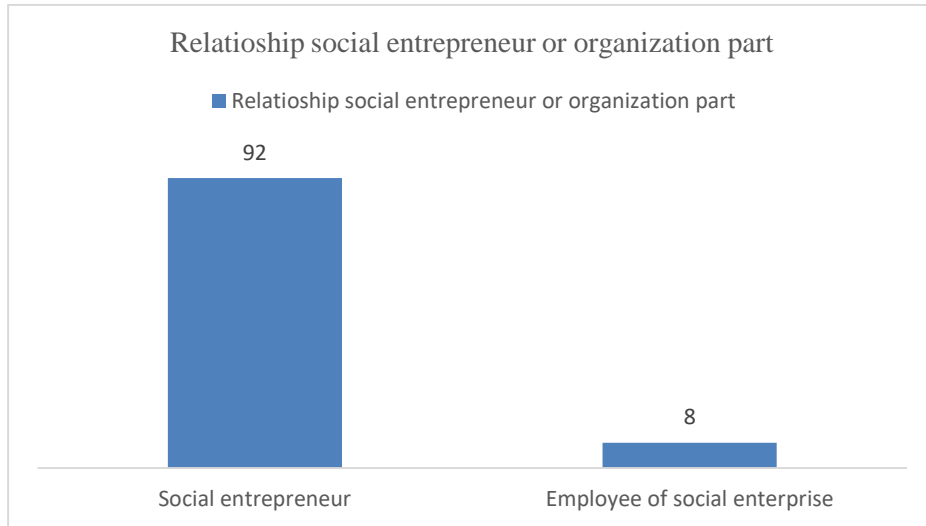


Figure 4. Relationship between social entrepreneur or organization part.

In Figure 5, 14% of respondents practiced social entrepreneurship impacts on economic value directly or indirectly. In additions, 82% respondents believed outcome of social entrepreneurship impacts on social value and 4% respondents claimed had impact on environmental value.

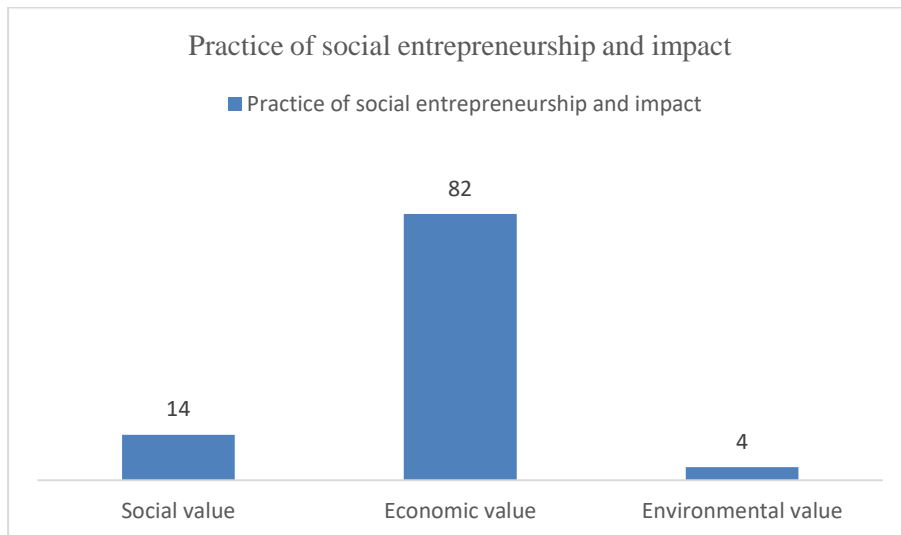


Figure 5. Practice of social entrepreneurship and society impact.

In Figure 6, 93% respondents claimed these individuals and organizations had created social values and 7% respondents agreed on these individuals or organizations focused on economic value creation.



Figure 6. Practice entrepreneurship for individual and organization.

In additions, 93% respondents believed in its importance since positive outcomes had direct and indirect impact and 7% respondents were disagreed on this statement.

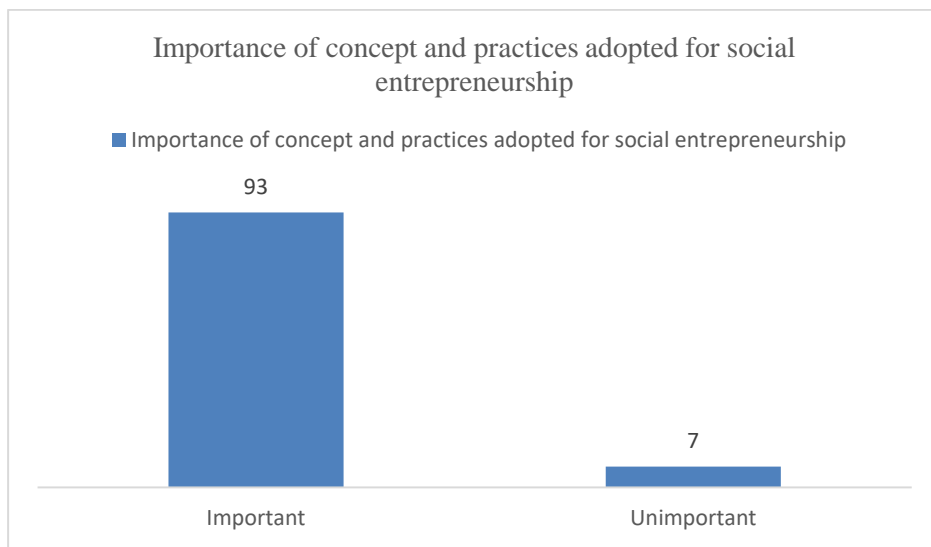


Figure 7. Importance of concepts and practices adopted for social entrepreneurship.

In Figure 8, the result indicated promptness toward social entrepreneurship with an addition to value adding factor toward engagement. In additions, 96% respondents believed that social entrepreneurship had motivated to be part of society by any mean for a support that could impact on different values. Some respondents had not favoured the impact of social entrepreneurship belong to part employees of social enterprises.

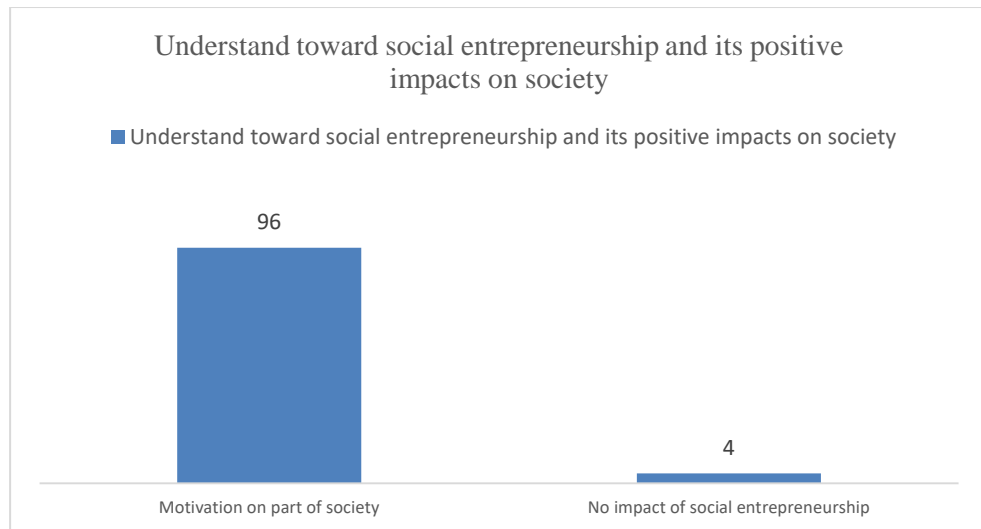


Figure 8. Understanding toward social entrepreneurship and its positive impacts on society.

The respondents had identified that there were barriers to start social enterprises in Kingdom of Saudi Arabia. In Figure 9, 3% respondents indicated that no idea on obstacles that made judgement among remaining three options. Most respondents had stated that due to lack of funding in adaptation of social enterprises with 21%. Meanwhile, 69% respondents believed that lack of awareness on social impact and 21% respondents found lack of skills and competences to stand for social enterprises.

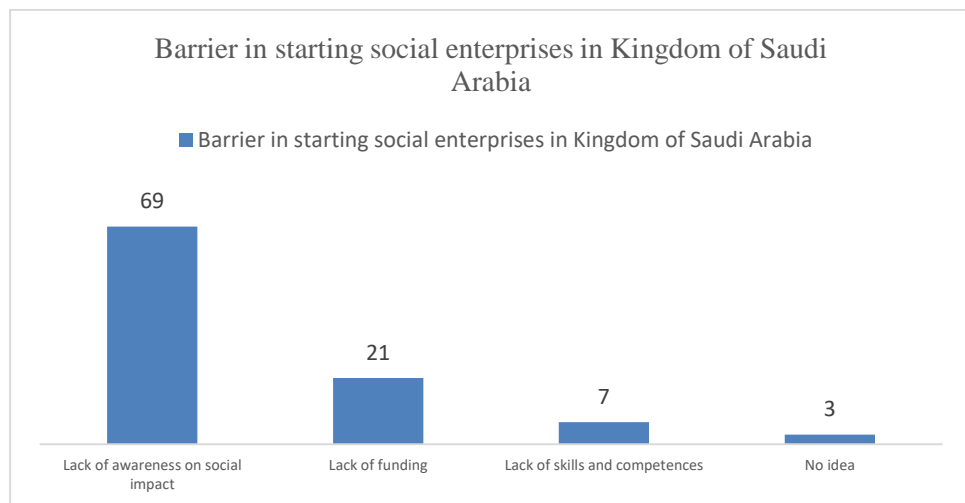


Figure 9. Barriers in starting social enterprises in Kingdom of Saudi Arabia.

The respondents had provided different opinion towards social entrepreneurship for complex concept especially in Kingdom of Saudi Arabia. In Figure 10, 41% respondents agreed to the complexities and 54% respondents had completely disagreed.

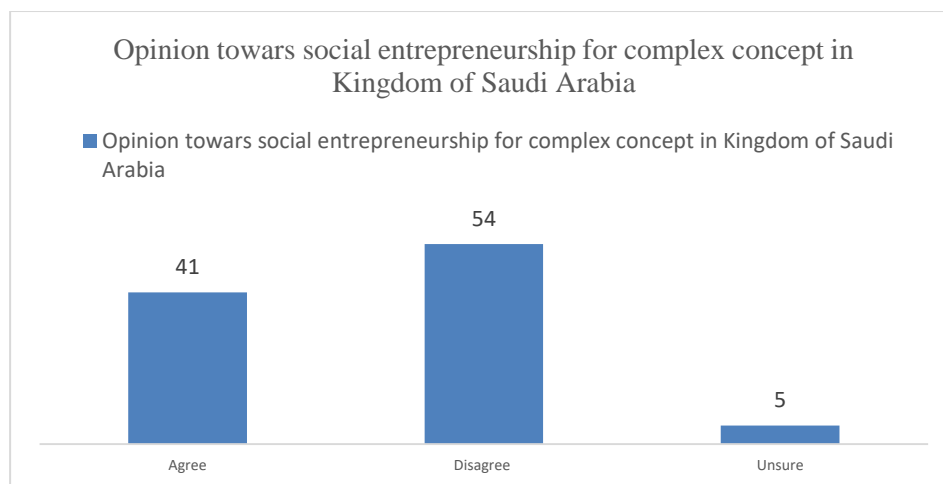


Figure 10. Opinion towards social entrepreneurship for complex concept in Kingdom of Saudi Arabia.

DISCUSSION

The result shows that most respondents are aged below than 34 years old. This age group of respondents indicated that more than half of population is youth that are less than the age of 30 years old. These young people are represented future of country and aspirations toward social entrepreneurship. Meanwhile, only 44% of respondents are aged more than 30 years old that can represent the knowledge, culture and environmental practices adopted in the past and transfer with innovative approaches to next generation. In contrast, Punadi et al. (2017) mentioned youth social entrepreneurs tend to be engaged in social-oriented activities compared to their older counterpart who involved in charities [13]. Besides, some studies suggested that social entrepreneurs are younger might due to high risk propensity related to low family responsibilities [14].

In this study, more than half of respondents are female than male.

There are 88% of respondents are qualified to understand the impact of entrepreneurial perspective toward society. Half of respondents claim to be social entrepreneurs that indicated their direct presence and efforts in communities and societies development with diverse agenda and approaches. Meanwhile, 45% respondents are either directly or indirectly plays considerable role in same domain.

Most respondents believed Saudi generation towards impact of social entrepreneurship on economic value refers to societies development that directly or indirectly helps to develop the societies. Social entrepreneurship is not dependent on certain economic model which are non-profit and cooperative organizations and social enterprises [15]. Meanwhile, few respondents claimed an impact on social value seems least concerned on economic development or might belong to territory where recognition of environmental and social values is preferred. The practices acceptance are important for social entrepreneurship replicated the ideology of believe and attachment towards these practices.

The study found 72% respondents refer to these practices as important due to direct and indirect impact on economic value. There has been a disagreement due to certain people belief which associated with social. Besides, most respondents accepted social entrepreneurship because their impact to engage people towards the support of different causes. The engagement between different people to take initiatives for economic value, social value and environmental value development.

There is a trend that the respondents want to be social entrepreneurship part with challenges such as lack of awareness, funding problems and skills or competencies. Most people are disagreed to the complexities for social entrepreneurship concepts; hence people need to be support and encourage to step forward even there are typical barriers that need to overcome.

CONCLUSION

In conclusions, most entrepreneurs were educated to identify on main requirement in the society and impact generated through social entrepreneurship. The result was indication of aspirations that showed that economic value was equivalent to the development of social and environmental values in Saudi Arabia. The awareness on certain aspects was required and need guided in funding barriers which can reduce through personal initiatives.

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