



WOMEN ENTREPRENEURSHIP: SUCCESSFUL MODELS FROM UAE

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Abstract

Women Entrepreneurship is the biggest growing business trend across the globe. UAE is considered as one of the most developed countries in the world, yet limited studies are available to shed light on the women entrepreneurs in UAE. Women make up 70% of UAE's university graduates and 44% of the workforce and are key to the UAE's economic future. The UAE represents a region that is witnessing an increasing trend of women's participation in business and entrepreneurial activities. The present qualitative study has used in-depth interviews with fifteen successful women entrepreneurs in Dubai followed by an interpretive approach to analyze the motivational factors that enabled them to start business enterprises and the nature of business usually taken up by them.

The most significant finding is the way women identify their potential area of business and product to be marketed. Most of them have focused on women and children related products such as eco-friendly baby products, kid's gym, vegan restaurants and so on, which according to them were not fully addressed in a proper way in the country. In a rich country like UAE, quality of the product matters the most and once it is ensured marketing is easily facilitated. While push factors are mostly documented as the key drivers behind women's choices to become entrepreneurs, the present study found more of pull factors like passion to do business and the favourable conditions offered by the country to be the most important factors that motivated the women to start enterprises. UAE offers a promising business landscape for women entrepreneurs to explore and flourish. The surge in female entrepreneur support groups and increased funding for new businesses, have facilitated women entrepreneurship in the country. As elsewhere the COVID 19 pandemic has a temporary setback on entrepreneurship in general wherein several of the enterprises had to be shut down as part of the new normal but once the conditions change, a resurgence is expected with regard to women entrepreneurship also.



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Introduction

Entrepreneurship has acquired a special significance in the changing economic scenario. The phenomenon of women's entrepreneurship, both women business owners and their businesses, is viewed as a potential source of economic and social development. The findings in the Women's Entrepreneurship 2016-17 Report by GEM indicate that "there is no longer a question regarding the role that women play in contributing to global economic development. The phenomenon of women's entrepreneurship, both women business owners and their businesses, is viewed as a potential source of economic and social development".



While the number of women operating their own business is increasing globally, women, especially in third world countries, continue to face huge obstacles that stunt the growth of their businesses. Women entrepreneurs face challenges at the pre-investment stage, investment stage and post-investment stage, with problems mainly relating to finance, raw material and marketing. Women entrepreneurs have to work in a male-dominated area and face much more challenges than men because of the gender stereotypes and cultural norms. The main drawbacks to women's success are lack of capital, strict social constraints, limited time and skill, lack of experience and inaccessibility to resources to develop the entrepreneurial skills like independence, self-confidence, assertiveness and drive. For the development as an entrepreneur, women need a lot of motivation, training and family support. Family environment may not be supportive and they have to take time off from their household duties. Despite all these there are women entrepreneurs who excel in their business field even surpassing male entrepreneurs of the area. They successfully manage their personal and professional lives, provide employment to several others and expand their enterprise year after year.

Many scholars (Robinson, 2001; Orhan & Scott, 2001; Moris et al., 2006; Buaghn et al., 2006) divided motivational factors into pushing and pulling factors. Pushing factors are those factors or conditions that create the need for women to choose for entrepreneurship such as economic necessity due to unemployment, the need to provide family support, and also choose for entrepreneurs because of dissatisfaction of salary from employment, divorce, boredom in their previous jobs and frustration (Orhan & Scott, 2001) while, Pulling factors are those factors that create a better situation for women to start their own business such as independence, creativity, social status, economic status and flexibility, education and autonomy (Buaghn et al., 2006). In developing countries most often, women have been found to start enterprises because of pushing factors.

The possible factors that influence entrepreneurial behavior are also categorized in yet another way as the individual, social and environmental factors. The Social Factors model examines the personal background, family background, stage of career, early life experiences and growth environment (Gibb, 1993). A study of twenty female entrepreneurs indicate that their major motivations to run a business were the need to achieve self fulfillments, the desire to be independent, the need for job satisfaction and economic necessity (Schwartz, 1976). Apart from that, desire to control, need for achievement, to improve the financial situation, desire to be independent and the need for job satisfaction are also some notable motivating factors (Scott, 1986). The study by Sheikh Ali and Mahamud (2013) among 125 women entrepreneurs in Somalia found that self recognition and economic necessities are the major factors that motivate women to become entrepreneurs.

Women Entrepreneurship In Uae

Women make up 70% of UAE's university graduates and 44% of the workforce and are key to the UAE's economic future. The UAE represents a region that is witnessing an increasing trend of women's participation in business and entrepreneurial activities (Itani, Sidani, & Baalbaki, 2011). The country offers equal opportunities for men and women and the nation's Cabinet has more women in ministerial positions than some of the most developed countries in the world. The country offers a promising business landscape for women entrepreneurs to explore and flourish in, and the ability to own 100 per cent of the business will further motivate them by addressing the safety and security concerns when starting a new business (Shamuzova, 2018). From a surge in female entrepreneur support groups to increased funding for new businesses, it is considered as the best time for a woman to start a business in the UAE (Hopkins,



2018).

It was in this context that a study on the motivational factors of women entrepreneurs in UAE was conceived. Instead of focusing on the issues and challenges of women entrepreneurs and their sad stories, the present study would explore into the success stories and characteristics of women entrepreneurs, to learn from them and provide exemplary role models to aspiring women entrepreneurs throughout the globe. Even though a number of studies are being taken up on women entrepreneurship, majority of them focus on the challenges and issues of struggling women entrepreneurs. But an investigation of the present type, to understand the success stories of women entrepreneurs done with a gender perspective are rare.

The objectives of the study were the following:

- To analyze the factors influencing women's choice of entrepreneurship
- To examine the nature of enterprises taken up by women in UAE
- To understand the measures offered by the UAE government to promote women entrepreneurship

The Merriam-Webster Dictionary, defines an entrepreneur as, “One who organizes manages, and assumes the risks of a business or enterprise” while the Investopedia defines an entrepreneur as “An individual who, rather than working as an employee, founds and runs a small business, assuming all the risks and rewards of the venture”. The term women entrepreneur in this study refers to those women who have been running their enterprise for a period of not less than three years, providing employment to not less than three other women or men, having a turnover of not less than 25 lakhs rupees per year and have expanded their enterprise over the previous years. Both home based small scale entrepreneurs and medium scale women entrepreneurs were included in the study.

Method: Case studies of fifteen women entrepreneurs in Dubai were undertaken to attain the objectives of the study. Though there are many women entrepreneurs in Dubai, fifteen of them belonging to the small scale and medium levels of entrepreneurship were selected using purposive sampling method. With her personal contacts and networks, it was not difficult for the author who is also a blogger and brand promoter in Dubai to identify and locate the sample. The data was collected using unstructured interview so as to gain a deeper understanding of their subjective experiences related to motivational factors and the measures offered by the UAE government to encourage women entrepreneurship. Both telephonic interviews and direct interviews were used to collect information.

Major Findings

Motivational Factors in the Choice of Entrepreneurship

The various factors that encouraged the fifteen women studied, to take up entrepreneurship was analyzed and it was found that almost all of them have taken up business out of their passion to do something fruitful with their talent and time. With better household services and amenities at home, majority of them were motivated to transform time at their disposal to be productive, which in turn encouraged them to engage in activities other than homely chores. The independence and sense of achievement which entrepreneurship offers are also reasons that have attracted women to entrepreneurship.

Women entrepreneurs in a developing country like India face several challenges like discouraging attitude of family members, lack of capital, role conflict faced while balancing personal and entrepreneurial responsibilities, conflicts related to working time, competition faced in the marketing of products etc (Minu & Kuruvilla, 2008; Shifa & Kuruvilla, 2018). According to Vinesh (2014) women entrepreneurs in India are handicapped in the matter of



organizing and running businesses on account of their generally low levels of skills and for want of support system. But in a developed country like UAE, women do not face such obstacles or challenges to the same extent. The easy availability of better consumables and the durudgery reduction appliances provide more time to spare in hobbies during initial days which later on turn into businesses most often.

Nature of Entrepreneurship

Women in UAE mostly start enterprises related to consumer goods like apparels, accessories, home based food production and parcel services, unique conceptual restaurants (vegan, keto or other special diet oriented or one of a kind offerings such as pottery, painting and so on while enjoying a meal) and recreational services. The quality of products are valued more by the customers which ensures better marketing and consumption of the products. Specially organized child friendly play spaces are common features in Dubai with good many parents and children visiting them for evening or weekend recreation.

The increased purchase power of the international community in Dubai facilitate the marketing of products which are very thoughtfully chosen by the entrepreneurs. Online advertisements and marketing are also techniques adopted by almost all of them. Almost all of them claimed to have supportive partners who in turn help them manage the enterprise in any means possible.

Measures Offered by the UAE Government to Promote women Entrepreneurship

Hopkins (2018) put forth three major reasons to substantiate her argument.

1. Beneficial visa changes to come for female expats

In the fierce competition for entrepreneurs in UAE, studies show UAE nationals to slightly outperform expat entrepreneurs. Improvements such as more generous visa changes would benefit expat entrepreneurs to establish themselves within a competitive business world. The recent announcement of 10-year property visas for expats and one-year residency extensions for recently divorced or widowed women without work visas helps to provide more stability for women coming into the region, once they come into effect. The 10-year property visa also provides an alternative entry route into the country while giving the security that comes from buying a home. When enforced, the latter visa change will give women more freedom in their jobs and will also allow them to feel more comfortable about the longevity of any business plans that would previously have been jeopardized by changes in their marital status. UAE government has recently come up with business licenses that are appropriately priced which gives UAE residents the right to start various business or sell goods online

2. More female-led entrepreneur groups, advisories and workshops

It is not just funding or residency that deter women from starting businesses in UAE, it is also a lack of practical skills and confidence. Several workshops are being organized by entrepreneur groups that provide a place to aspiring female entrepreneurs acquire key entrepreneurial skills, motivation and inspiration to start enterprises. In March 2018, Dubai-based female-focused angel investment group Womena announced Womomentum, its early-stage accelerator program for female-founded startups. ME, a dubai based development consultancy, has an annual entrepreneurship program called Women-able, which empowers women-led SMEs by providing guidance on practical business skills and confidence building. Such promotions of entrepreneurship among women in the UAE effectively ‘sidesteps’ cultural or business-related barriers that may restrict women, and allow female entrepreneurs –both Emirati and expat– to engage with their communities to a great extent.



3. More help for women to return to work after childbirth

Women quite often have to balance both family and work responsibilities, especially after having children. This can be hard enough when working as an employee, but when the added responsibility of business ownership is placed into the mix, the pressure can mount. In this context, companies like Hopscotch in the UAE are developing technology-based solutions to ease the return-to-work process for women. They provide online platforms through which women are offered training and skills sessions. Companies also offer opportunities for women at all stages of their careers through their network and initiatives. Women can simply create an online profile to be considered for vacancies. And those looking to upskill before returning to work can watch video sessions from their own homes. The creation of inclusive work conditions that accommodate everyone, regardless of life commitments, bolsters the UAE's economy and encourage women from all walks of life to contribute to the workforce or start businesses.

Conclusion

The study deals with the characteristics of women entrepreneurs in UAE, especially the motivational factors, nature of enterprises started by them and the governmental support existing in the country that facilitate women entrepreneurship. When analyzed, the different factors that influenced or provided motivation to start such a venture, passion of the women to take up business enterprise was found to be the most significant.

Entrepreneurship would to a great extent solve major problems of mass poverty and widespread unemployment. Developing countries will have to pay a lot of attention and research for encouraging entrepreneurship among women. The issues relating to self-confidence, lack of knowledge and information, absence of role models etc. can partly be solved by education and experience. The business risk can be minimized by careful planning and expert guidance to choose the most feasible projects as per societal needs.

- ❖ Confidence building training should be given to women to do away with the culturally imposed traditional feeling that women are inferior to men and are dependent on men.
- ❖ For marketing of products, women entrepreneurs must establish their credibility first in terms of quality and competitiveness of product or service.
- ❖ Skill upgradation training must be given to interested girls and women.
- ❖ Effective and efficient use of information technology can help in assimilating information about variety, range and quality of products, publicity and marketing of products and services.
- ❖ Government should take remedial measures for the specific problems faced by women entrepreneurs and special concession should be extended to them.
- ❖ Association of women entrepreneurs should be established in order to have proper coordination among them.

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